

Gov. Doc.
Can
Comm
C

Canada. Capital and Corporal
Punishment and Lotteries. Joint
Committee of the Senate and the
House of Commons.

FIRST SESSION—TWENTY-SECOND PARLIAMENT

1953-54



Joint Committee of the Senate and the House of Commons

ON

CAPITAL AND CORPORAL PUNISHMENT AND LOTTERIES

Joint Chairmen:—The Honourable Senator Salter A. Hayden

and

Mr. Don F. Brown, M.P.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

WEDNESDAY, APRIL 28, 1954

THURSDAY, APRIL 29, 1954

WITNESSES:

From The Chief Constables Association of Canada:

Mr. Walter H. Mulligan, President of the Association and Police
Chief of Vancouver;

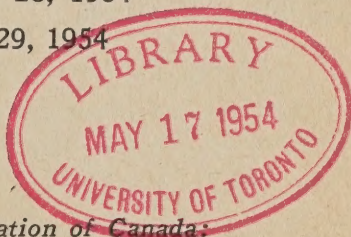
Mr. George A. Shea, Secretary-Treasurer of the Association and
Director of C.N.R. Police, Montreal;

Mr. Duncan MacDonell, Police Chief of Ottawa;

Mr. J. A. Robert, Police Chief of Hull; and

Mr. F. W. Davis, Police Chief of Moncton.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1954.



COMMITTEE MEMBERSHIP

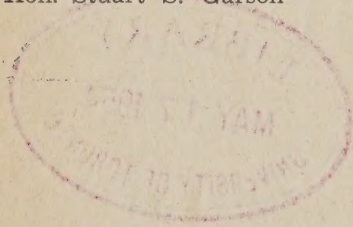
For the Senate (10)

Hon. Walter M. Aseltine	Hon. Salter A. Hayden
Hon. Elie Beauregard	(<i>Joint Chairman</i>)
Hon. Paul Henri Bouffard	Hon. Nancy Hodges
Hon. John W. de B. Farris	Hon. John A. McDonald
Hon. Muriel McQueen Fergusson	Hon. Arthur W. Roebuck
	Hon. Clarence Joseph Veniot

For the House of Commons (17)

Miss Sybil Bennett	Mr. A. R. Lusby
Mr. Maurice Boisvert	Mr. R. W. Mitchell
Mr. J. E. Brown	Mr. H. J. Murphy
Mr. Don. F. Brown (<i>Joint Chairman</i>)	Mr. F. D. Shaw
Mr. A. J. P. Cameron	Mrs. Ann Shipley
Mr. Hector Dupuis	Mr. Ross Thatcher
Mr. F. T. Fairey	Mr. Phillippe Valois
Mr. E. D. Fulton	Mr. H. E. Winch
Hon. Stuart S. Garson	

A. Small,
Clerk of the Committee.



MINUTES OF PROCEEDINGS

WEDNESDAY, April 28, 1954.

The Joint Committee of the Senate and the House of Commons on Capital and Corporal Punishment and Lotteries met at 4.00 p.m. The Joint Chairman, Mr. Don. F. Brown, presided.

Present:

The Senate: The Honourable Senator Fergusson—(1).

The House of Commons: Messrs. Boisvert, Brown (*Essex West*), Cameron (*High Park*), Fairey, Fulton, Garson, Lusby, Mitchell (*London*), Murphy (*Westmorland*), Shipley (Mrs.), and Winch.—(11).

In attendance:

From The Chief Constables Association of Canada: Mr. Walter H. Mulligan, President of the Association and Police Chief of Vancouver; Mr. George A. Shea, Secretary-Treasurer of the Association and Director of C.N.R. Police, Montreal; Mr. Duncan MacDonell, Police Chief of Ottawa; Mr. J. A. Robert, Police Chief of Hull; and Mr. F. W. Davis, Police Chief of Moncton.

Counsel to the Committee: Mr. D. G. Blair.

On motion of Mr. Winch, seconded by Mr. Fairey, the Honourable Senator Muriel McQueen Fergusson was elected to act for the day on behalf of the Joint Chairman representing the Senate due to his unavoidable absence.

Police Chief Mulligan made his presentation on lotteries, following which Police Chiefs Robert, Shea, Davis and MacDonell made supplementary statements thereto, all of whom were being questioned thereon when the Presiding Chairman announced that the questioning of the witnesses would be resumed tomorrow.

At 6.10 p.m., the Committee adjourned to meet again as scheduled at 11.00 a.m., Thursday, April 29, 1954.

THURSDAY, April 29, 1954.

The Joint Committee of the Senate and the House of Commons on Capital and Corporal Punishment and Lotteries met at 11.00 a.m. The Joint Chairman, Mr. Don. F. Brown, presided.

Present:

The Senate: The Honourable Senator Fergusson.—(1).

The House of Commons: Messrs. Boisvert, Brown (*Essex West*), Cameron (*High Park*), Fairey, Fulton, Mitchell (*London*), Murphy (*Westmorland*), Shipley (Mrs.), Valois, and Winch.—(10).

In attendance:

From The Chief Constables Association of Canada: Mr. George A. Shea, Secretary-Treasurer of the Association and Director of C.N.R. Police, Montreal; Mr. J. A. Robert, Police Chief of Hull; and Mr. F. W. Davis, Police Chief of Moncton.

Counsel to the Committee: Mr. D. G. Blair.

On motion of Mr. Murphy (*Westmorland*), seconded by Mr. Winch, the Honourable Senator Muriel McQueen Fergusson was elected to act for the day on behalf of the Joint Chairman representing the Senate due to his unavoidable absence.

The Presiding Chairman announced the unavoidable departure from Ottawa of Police Chief Mulligan of Vancouver and also the inability of Police Chief MacDonell of Ottawa to be in attendance today.

The Committee resumed and completed its questioning of Police Chiefs Shea, Robert, and Davis on the lotteries question.

At 12.30 p.m., the Committee adjourned to meet again as scheduled at 11.00 a.m., Tuesday, May 4, 1954.

A. SMALL,

Clerk of the Committee.

EVIDENCE

WEDNESDAY, April 28, 1954.
4.00 p.m.

The PRESIDING CHAIRMAN (*Mr. Brown, Essex West*): We will now come to order, ladies and gentlemen. A motion will now be entertained for the purpose of appointing Senator Fergusson acting Joint-Chairman for the Senate for the day.

Mr. WINCH: I so move.

Mr. MURPHY: I second the motion.

The PRESIDING CHAIRMAN: Mrs. Fergusson, will you come forward, please?

And now we will continue, if it is your pleasure, with the witnesses representing the Chief Constables' Association of Canada. We have with us again today Mr. Walter H. Mulligan, President of the Chief Constables' Association of Canada and Police Chief of Vancouver, Mr. George A. Shea, Secretary-Treasurer of the Association and Director of Canadian National Police, Central Station, Montreal, Mr. Duncan MacDonell, Chief of Police of Ottawa, Mr. J. A. Robert, Chief of Police of Hull, and Mr. F. W. Davis, Chief of Police of Moncton. Gentlemen, will you please come forward.

Now, I understand, Mr. Mulligan, that you are the spokesman for the association?

Mr. Walter H. Mulligan, President of the Chief Constables' Association of Canada, recalled:

The WITNESS: Yes, Mr. Chairman.

The PRESIDING CHAIRMAN: And the other members of the association are here to support you. To simplify matters and in order to save time, I believe you are not speaking solely for the association, but you will be expressing your individual opinions mostly?

The WITNESS: That is correct, sir.

The PRESIDING CHAIRMAN: Today we are going to discuss the question of lotteries in Canada. Have you some presentation that you would like to make?

The WITNESS: I have sir.

Mr. Chairman, ladies and gentlemen: the offences of gambling, betting and lotteries have caused the police in this country more trouble and concern, the expenditure of more time in efforts to control them than have any of the other duties we are called upon to perform.

The question as to whether the laws respecting lotteries should be amended is a highly contentious one. A certain section of the public on the one hand is in favour of broadening the laws relating to lotteries, particularly where the funds to be raised by such schemes are to be used for charitable purposes only. Another section of the public is of the opinion that the existing laws should remain in force, or be made even more restrictive by removing the certain exemptions which are now provided for in the Criminal Code. The police, gentlemen, are in the middle of this controversy, and I can assure you it is a position we do not relish. I do not think, as enforcement officers, that we should express an opinion one way or the other as to the desirability

of changing our present laws, but I do feel that in considering the issues involved, your committee should give some attention to the role of the police. There has been an inference in some of the representations already made to you that our laws as they exist are already wide enough, or elastic enough in scope to satisfy both sections of the public, i.e. those in favour of widening the laws and those who feel further restrictions should be imposed, and there has also been the inference on the part of those opposed to any broadening of the laws that the police are not at all times doing their utmost to enforce the present laws. I believe the point was made that a law could not be regarded as unenforceable merely because that law did not happen to find favour with the majority of the citizens in any community. Now in regard to this latter point, I would like to be permitted to speak as to the police experience in enforcing the lottery laws in my own city of Vancouver to show you that it is no easy matter to enforce an unpopular law, and I can best illustrate my point by quoting authentic cases which have occurred during my tenure of office, as chief of police. Now the first case, in April, 1948, was that of a sports club, and the accused approached this club and offered to raise money for them by a so-called "Quizz" contest. The accused signed a contract with the club by which he was to have sole control of the scheme and pay the club a percentage of the money raised by the use of their name. Following investigations by the police, the sports club disclaimed the accused and offered their assistance in a prosecution. The city prosecutor felt that the executive of the club were deceived and misled by the representations of the accused. A warrant was issued under section 236 of the Criminal Code.

While this investigation was proceeding, a service club commenced the selling of lottery tickets to raise funds for the particular charity which it sponsored. The chairman of the service club's charity drive was summonsed for conducting a lottery. He appeared before a judge and jury on May 31, 1948, and was acquitted. The accused in the sports club case was arrested and appeared in the magistrates' court some time after, on July 6, 1948, to be exact, and was found guilty, but the learned magistrate pointed out that in view of a recent decision in a similar case in the higher court in Vancouver where the accused had been acquitted, he would suspend sentence, and the accused was placed on a \$100 bond for six months.

Our next attempt to enforce the lottery laws was in August, 1949, when as the result of press publicity, members of the police department were present at a certain location where they watched and heard the drawing of the winning ticket in a lottery being conducted under the auspices of a community association. The police seized a new Chevrolet sedan automobile, the barrel used for the draw and its contents, the winning ticket stubs and the alternate winning ticket stubs. In other words, gentlemen, instead of, as in the two previous cases quoted, stepping in before the actual draw and charging the accused with selling lottery tickets, the police this time waited for the completion of the draw to take place, believing that in so doing we would have a much stronger case. However, the four persons charged with conducting a lottery, when they appeared in magistrates' court for a preliminary hearing—they had elected for trial by a higher court—were dismissed, and it might be of interest to your committee for me to read to you the reasons cited by the learned magistrate for the dismissal of the charge against these four men. Said the magistrate:

These four citizens were charged before me with conducting a lottery contrary to the provisions of the Criminal Code of Canada. Upon being arraigned they were given an election as to the method of their trial. They chose to be tried by a higher court, preferring, no doubt to have their case tried by a panel of jurors who knew no law, rather than by a magistrate in much the same position.

It was at one time the general opinion that the magistrate taking a preliminary enquiry was somewhat of a figurehead who must commit the accused for trial—if there was any evidence which, if believed, would warrant a conviction. Since the abolition of the grand jury in this country that rule has been relaxed and now I believe it to be good law and the magistrate should assume some of the duties formerly performed by the grand jury to the end that the time of assize court should not be taken up with long lists of frivolous cases.

The accused men, along with other citizens, have been working on this scheme for months. Prizes were openly displayed, as were posters and other advertising, and tickets were sold and purchased on the public streets. All this was done under the eyes of the police officers. Apparently nothing was done to stop it. Then, at the last moment, when hundreds of citizens had bought tickets (all equally guilty if these accused are guilty) and the draw is actually made, the police step in. Now I can readily see the reason for the delay. I have no doubt the city prosecutor advised the police that there was no lottery until the draw had been made and that no conviction could be had if they moved too soon. With that advice I agree, but where does that place the four men now before me and the citizens who have parted with their money? Have they not been encouraged to carry out their scheme by the actions, or rather lack of action, of the powers that be?

Having taken this view, I am satisfied that no reasonable jury would convict and having come to that conclusion I can see no reason why these men should be put to the inconvenience of further proceedings and the people of this city to the very considerable expense of carrying the matter further.

The accused are, therefore, dismissed.

It is to be understood that I am not seeking to lay down any rule in these matters. Each case must of necessity stand on its own particular facts. Nor is anything I have said to be taken as criticism of the police. Indeed, I wish to compliment Detective Frew and his associates upon the efficient and fair manner in which they prepared and presented the case for trial.

Shortly after the disposition of this case, with its subsequent newspaper publicity, there developed a rash of lotteries, and it was common on the down town streets of Vancouver to see as many as three persons in one block selling tickets for different lotteries. Even the city council in Vancouver gave permission for parking exemption privileges for cars advertised as prizes in forthcoming lotteries.

After some months of this sort of thing, the city council, following complaints from citizens regarding the high pressure salesmanship tactics of lottery ticket vendors on city streets then prohibited the use of the streets and sidewalks for the transaction of business pertaining to the sale of lottery tickets, and the most persistent salesmen then took up positions in doorways and on private property.

Eventually, in 1950, it was decided to make another attempt to prosecute persons for conducting a lottery, and in January, officers warned the executive of a service club that they were violating the law in conducting a lottery. Despite the warning, the service club persisted in the selling of tickets, and a search warrant was obtained by the police, who seized a large number of tickets and a barrel containing ticket stubs. The president of the service club had previously stated that approximately \$16,000 had been taken in on the sale of tickets, and that it was proposed to hold a carnival and that the drawing would take place at the carnival. Summonses were issued and served on the service

club president, the promoter who had been engaged to handle the scheme, and the latter's assistant. On March 31, 1950, the three accused appeared in magistrates' court and were committed for trial. The case went to high court and the accused was found guilty of conducting a lottery. The case was subsequently appealed and the appeal court ordered a new trial, in which a conviction was again recorded. It should be mentioned that when the barrel was opened by the officers to check and record the exact contents, it was found that in the barrel were 32 packages stapled in lots of 12 ticket stubs with buyers names inscribed. This came out in evidence in court and proved to the officers' satisfaction that the draw was not honestly conducted as it would be physically impossible to draw one single ticket stub from any one of the group of stapled stubs.

Following this successful prosecution, a change took place in regard to lotteries, and organization desirous of raising funds set up schemes to do so under the exemption clause under section 236-ss/6(b) of the Criminal Code. This clause, as you will be aware, authorizes the mayor or reeve of a community to issue a permit for the holding of raffles where the prize does not exceed fifty dollars in value, and this system has continued, obeyed by many, and abused by a few, up to the present day.

A recent example of the abuse of this exemption clause occurred in February of this year, when the officials of a committee of a very outstanding sports association put on a home cooking fair where bingo was played all day as one of the attractions. The police were informed that in addition, tickets were to be sold for a raffle, and the prize was to be a television set, the value of which was, of course, several hundred dollars. The chief constable made sure that these officials were warned that they should not do this as it was a violation of the Criminal Code, but officers of the gambling detail who visited the fair were, upon entering, asked if they wished to buy tickets for the television set draw. During the evening, officials mounted the platform and it was announced over the public address system, that the grand draw of the evening would take place and that the merchandise would be delivered to the holder of the lucky ticket. The police officers seized the box containing the ticket stubs and stopped the draw, although no television set was in evidence. The officers submitted reports in connection with this case, and the chief constable discussed these reports with the city prosecutor. As a result, the following notice was released to the press by the chief constable:

Investigation into the proposed raffle at the Seaforth Armouries on Saturday, February 20, 1954, under the auspices of . . . clearly indicates that there is a great deal of confusion in respect to the law on lotteries in the minds of the officials responsible.

As a result of this situation, and the committee's immediate willingness to return moneys collected by sale of tickets for the raffle, it is not the intention of the police to attempt to prosecute in this case, but I want to make it perfectly clear that any violation of the Criminal Code relating to lotteries or raffles will be investigated with a view to prosecuting same.

Any person or group of persons contemplating the raising of funds by raffles should seek legal advice owing to the confusion in the public mind as to the interpretation of that section of the Criminal Code which permits the holding of raffles for prizes not exceeding \$50 in value where certain conditions are complied with.

Despite this announcement that it was not the intention to prosecute, there was an outburst in certain sections of the press quoting the chairman of this particular committee in statements detrimental to the police service for the action they had taken in stopping this draw. This criticism, however, was not

peculiar to this particular case; it had followed in all the cases I have quoted to you. The honest efforts of the police in Vancouver to enforce the existing laws relating to lotteries have resulted in the police being held up to public ridicule, being made the subject of adverse editorial comment in newspapers, and the target for the satire of columnists and cartoonists. Please do not misunderstand, me, gentlemen, we are not complaining on this score, but today, more than ever before there is a need for a good relationship between the police on the one hand and the public on the other, and experiences such as I have described are certainly not conducive to that desirable state of affairs. To my way of thinking, our experiences in Vancouver would indicate that public opinion in our city, as evidenced by jury decisions, is in favour of broadening the lottery laws in so far as the holding of lotteries for charitable purposes is concerned.

I feel that I should mention that any consideration which might be given to amendments to the lottery section of the Criminal Code in this regard will have a bearing on another problem that the police in Vancouver are called upon to cope with, and that is Chinese lotteries. We have a large Chinese population, many of whom have no families and permanent homes in our city, and being seasonal workers, spend a great deal of their time in the winter months frequenting Chinese clubs where they participate in Chinese lotteries. Many occidentals in the downtown area of Vancouver adjacent to Chinatown patronize these lotteries too, and I can foresee a big problem here in the light of any proposed changes.

Now, gentlemen, may I be permitted to digress from the subject of lotteries to say a word or two in respect to the playing of bingo, and I make this request in view of the general confusion which seems prevalent in the public mind about the law as it stands today. During the time I have been chief constable of the city of Vancouver, and during the period of the lottery cases I have mentioned, the playing of bingo in Vancouver has been of very small proportions with the exception of the period of the Pacific National Exhibition. There have been a few prosecutions of persons who promoted and operated bingo games for their own personal gain, but as the result of the increasing prevalence of this game in community centres and social clubs, which became pronounced in 1950, I consulted our city prosecutor as to its legality.

The prosecutor wrote me in January, 1951, in respect to this, and no action was taken by the police for several months. However, as a result of investigations leading to the possible prosecution of the groups playing bingo, the city prosecutor was again consulted, and on April 18, 1952, I received the following letter which I think is important enough for me to read, since while it mentions that the game of bingo is illegal, it refers to the section of the Criminal Code which permits incorporated bona fide social clubs to take certain moneys from the proceeds of games played on club premises. This letter reads as follows:

I have before me a letter written you on January 19, 1951 in regard to the playing of bingo in various places in Vancouver. I am not very well satisfied with the wording of the letter as I do not consider that the question of policy in regard to law enforcement is the business of this department. We may, of course, express our opinions to you as chief constable but I believe that is as far as we are entitled to go. Ordinarily speaking, the game of bingo is illegal and anybody keeping premises for the purposes of carrying on the game is keeping a gaming house. It must be remembered, however, that section 226 (b) (ii) will apply when the circumstances bring it within this section. This is the section which permits incorporated bona fide social clubs, or branches thereof, to take certain moneys from the proceeds of the games played on the club's premises. Therefore, if bingo is played on the premises of clubs, or

branches of clubs, incorporated either by provincial or federal statute for social purposes, they should be treated in the same way as the several 'card' clubs presently operating in the city. On the other hand, people operating premises for the playing of bingo where there is no charter could, without doubt, be successfully prosecuted as keeping a gaming house.

The result of the prosecutor's ruling means that today, in the city of Vancouver, there are 17 clubs playing bingo, and all are incorporated, and licensed by the city of Vancouver. The largest of these clubs are veterans clubs. The attendance ranges from 30 to 600 persons. Two of the clubs play bingo six days per week. The others play from one to four nights. The membership fee charged ranges from 10 cents to 25 cents per year. The service charge ranges from 18 cents to 50 cents per person per night. These clubs play from 6 to 26 games in an evening, that is, in a period from one to three and one-half hours. Some of these people play bingo after regular business meetings, or it is worked in with other club activities. All the clubs are well lighted and properly conducted. However, unfortunately some operators are never satisfied and the information received by the police in Vancouver today would clearly indicate that bingo is becoming very big business and is getting out of hand in some quarters. One of the veterans' clubs I have mentioned is very well patronized and information reached the police recently that in a three-month period, the gross revenue from bingo was \$62,000.

Hon. Mr. GARSON: For one club?

The WITNESS: Yes.

The breakdown of disbursements indicated that \$47,000 went in prizes, \$9,000 to the building fund, \$5,000 to miscellaneous expenses and \$1,000 to charity. It has been publicly announced in Vancouver that there might be prosecutions, and that is how the matter stands at the present time.

In apologizing, ladies and gentlemen, for the digression I seek your indulgence also to digress still further and mention that during the period of time from 1948 to the present that while we were conducting these investigations there was another very important case in respect to gambling and I am referring to a conspiracy to keep betting houses. May I read it? During the summer of 1949 the police in Vancouver decided to study the bookmaking racket with a view to ascertaining whether or not there was evidence of a conspiracy. Meetings were held between the police gambling detail and the city prosecutor.

The investigation undertaken covered the entire period from January 1, 1944, and included all premises and persons convicted of keeping betting houses, plus the activities of the racing wire service and the publishing business of two people who published a racing sheet.

The persons investigated numbered nearly 300 and the premises nearly 100. All avenues of probable information for each person and address for each year of the period since 1944 were covered, involving some thousands of individual inquiries.

When the mass of information gathered was sorted and filed on the various personnel and address files, it showed the pattern of the operation and control of the bookmaking racket and when this information was submitted and studied by our city prosecutor instructions were given for charges to be preferred against 34 persons. On October 23, 1951, the police started arresting the accused persons. The preliminary hearing opened on November 21, 1951, and it took up 13 days. On December 18, the learned magistrate committed for trial 27 of the accused, dismissing the charge against 7 persons. The honourable the attorney general of British Columbia ordered a special assize and the trial commenced on February 12, 1952, before Mr. Justice N. Whittaker and a jury. A panel of 400 jurors were summoned to appear and

a jury of 10 men and 2 women was chosen. 57 persons were called as witnesses and the total of 112 exhibits were entered. This trial continued from the opening date, February 12, 1952, until March 18, 1952, upon which date the case went to the jury. No evidence was offered by the defence. The jury deliberated for three hours and twenty minutes and returned with a verdict of not guilty.

It would appear that this case was in every way a complete conspiracy and it is significant that since the verdict there appears to be no suggestion from any quarter that anything more could have been done, or that the Crown failed in any respect to present a more complete case. The vastness of the matter to be considered by the jury, both as to facts and the rather difficult law of conspiracy, may be the reasons for the verdict given.

I mentioned, ladies and gentlemen, at the outset that the police of Canada had never passed any resolutions to be forwarded to the Honourable the Minister of Justice in regard to lotteries, and I mentioned too that any such resolutions might not be unanimous. While it is not my own personal view there are some of our senior police officers in the city of Vancouver who are of the opinion that perhaps some consideration might be given to broadening the present exemptions in the Criminal Code in respect to lotteries, that is, to authorize the holding of lotteries under the conditions which prevailed during the war years when lotteries for charitable purposes were allowed.

Now, I think that some of my colleagues present with me today, Chief Robert in particular, have some opinions in respect to that, and I would ask, before the members ask any questions, permission for Police Chief Robert to give his particular views.

The PRESIDING CHAIRMAN: Each member of the panel will be permitted to do so if he cares to.

The WITNESS: As President of the Chief Constables' Association of Canada may I thank you for the courteous hearing you have extended us. It will be a pleasure for me to report to the meeting of the Chief Constables' Association of Canada to be held in Toronto and say that your committee afforded us every opportunity to make known our views on the subjects under discussion. On their behalf I want to thank you for the privilege of appearing before you today.

The PRESIDING CHAIRMAN: Thank you very much. Mr. Shea, have you anything you wish to add?

Police Director SHEA: I would prefer to withhold my remarks until we hear Police Chief Robert. I am not sure what he wishes to say, and it might save time if we hear from him first.

Police Chief ROBERT: Mr. Chairman, I will be very short and very brief in my remarks. Police Chief Mulligan has explained fully, I believe, the numerous problems that we have to overcome in the application or enforcement of the laws as they stand now. Of course he has also at the same time pointed out the very serious abuses that have resulted from these laws. In his closing remarks he mentioned that some of the senior police officers of his department have expressed a view that the present legislation might be broadened. But, in many other quarters we feel that it should be the other way, and for a good many reasons. I believe that it might be proper to say that the police officers who feel that way would be in favour of the following changes: First, that the proviso attached to section 226 of the Criminal Code of Canada as it was amended in 1938 should be removed entirely. That proviso makes possible the holding, or the establishment of chartered clubs where gambling is actually taking place—illegal gambling I should say, and also the holding of bingos.

The PRESIDING CHAIRMAN: Did you say legal or illegal?

Police Chief ROBERT: Both. Legal and illegal. There is also section 236 that deals with lotteries. That is subsection 6 I believe, where it says that lotteries can be conducted at a bazaar and so on. We feel that this section should be re-written entirely in order to eliminate misinterpretation and therefore numerous problems that result from various decisions given by judges or police officers. We do not always agree. For instance, if I remember correctly it states that lotteries may be held at bazaars and raffles.

The PRESIDING CHAIRMAN: What section?

Police Chief ROBERT: 236, subsection 6. "Raffles for prizes of small value at any bazaar held for any charitable or religious object, if permission to hold the same has been obtained from the city or other municipal council, or from the mayor, reeve or other chief officer of the city, town or municipality", and so on providing the value of the article is not more than \$50. Officers at times will ask themselves, what is a bazaar; what is permitted to go on at a bazaar? They have the permission to hold raffles there. But, what does a bazaar consist of? If I am permitted, Mr. Chairman, I would like to add that in many quarters we feel that the present section, subsection 5, of section 229, should be amended so as to include common betting house and common gaming house. This subsection covers only common bawdy-house, but it should include all types of disorderly houses.

The PRESIDING CHAIRMAN: Will you read the section you are referring to?

Police Chief ROBERT: Yes, sir. It is section 229, subsection 5: "If the owner, landlord, lessor or agent of premises in respect of which any person has been convicted as a keeper of a common bawdy house fails, after such conviction has been brought to his notice, to exercise any right he may have to determine the tennancy or right of occupation of the person so convicted . . ."

The PRESIDING CHAIRMAN: There is a little confusion. We do not quite know what you are reading from.

Mr. BLAIR: I think it has been revised and that it is now subsection 6.

The PRESIDING CHAIRMAN: What year are you reading from?

Police Chief ROBERT: 1943.

Hon. Mr. GARSON: In 1947 it was amended. However, it stands the same.

Police Chief ROBERT: Therefore, our recommendation would still stand, that is to include common betting house and common gaming house besides common bawdy house.

Mr. BLAIR: The whole point is that the Crown could proceed against the owner of one of these houses as well as the actual occupant?

Police Chief ROBERT: Correct. My final recommendation, gentlemen, would be with respect to section 641, subsection 4, regarding the seizure of telephone and telegraph and other communication systems that may be used in a betting house. We are strongly in favour that we should have the power to do it. That is why we are making those recommendations. In closing, may I say that we feel that if we take profit out of lotteries of "so-called" legal organization we will automatically put a stop to our problems and if we put more teeth in the laws, I believe we will achieve our goal.

The PRESIDING CHAIRMAN: Thank you very much, chief. Mr. Shea, have you anything you wish to add?

Police Director SHEA: Mr. Chairman, ladies and gentlemen, not being a municipal police chief, we cover the entire ten provinces of this country. We are peace officers, and where my interest ends, there my knowledge ceases. We are interested because since the mails are closed to people who operate these lotteries it has come to my personal attention. I have examined hundreds of these shipments of returns of lottery tickets and we turn them over when they come to our notice to the provincial police concerned. I was amazed within the past

few months to find that many of the returns were actually spurious tickets. They were not legitimate sweepstake tickets and, therefore, the purchaser of those tickets, although he had broken the law, had no chance of winning; all the profit would go to the racketeer running the lottery. I happen to know, through various sources of information, one particular man in the province of Quebec who has been an operator without let-up for a long time. Why it is, I am not in a position to say, because my jurisdiction does not extend to his locality or the locality of the printing of these tickets, but I find it rather strange. I do know that they have made some cases against him. They have seized his spurious tickets. My knowledge comes through the provincial police of Quebec that they were false tickets, that nobody had a chance of winning anything. I might say that the Postmaster General of Canada has many times got after the railways and then that falls in my lap. What are you going to do to stop them? Just as Chiefs Mulligan and Robert have said, we do our best, but we cannot cover everything. We have no idea of what is contained in a particular package unless they follow a regular pattern. If they were to ship a large wooden box supposedly containing machinery, but instead containing lottery books destined for some central point, we would have no way of knowing they were actually lottery tickets. These shipments which come to our attention are usually small packages that might very well go through the mail, but they ship them by express. The company, while they derive some revenue from them—usually it is about 30 cents for each one of these packages—would be glad if they ceased tomorrow, regardless of the revenue derived from them. They certainly cause us a lot of trouble, and as police officers we cannot close our eyes to this sort of thing. I know that my staff does its best—we all do our best. We immediately notify the police concerned in the municipality or the province and take it upon ourselves to instruct the agent who has accepted a parcel that under no circumstances must he accept such shipments in future. However, when that happens they usually pick another small station invariably in a rural district and try it again. We would need an army to police the situation—we cannot do it. We do stop them at interchange points where shipments are moving from Vancouver to Montreal, and often we get them at Ottawa. I think Police Chief MacDonell could enlighten you, because he has been very active, perhaps acting upon instructions from the Attorney General or someone else, and being aware that he has the right to do it. I believe we have assisted him in checking some of our trains passing through Ottawa, while the shipments are not particularly destined Ottawa. However, it will be up to the chief to tell you about it.

I find myself in this position: I have discussed it with many police chiefs, and I agree with certain things that Police Chief Mulligan says and with certain things his men say, but I am not certain that I am right. There is an old saying that the more you learn the less you know, and the more I hear about lotteries, the less I know about them and the less opinion I have to express; but it does seem to me, however, that some provinces and some forces are more active than others. The reason for that, I am not in a position to say. Perhaps they find it hopeless and that their efforts might well be given to dealing with more serious crimes. I know that every police force is more or less undermanned. Vancouver has a particularly wonderful force. They are well paid in Vancouver and have a wonderful climate—except on occasion—and it seems to be the ambition of many men to go to Vancouver—but whether lotteries have anything to do with it or not, I do not know. I have no fixed opinion except that I do think if we are going to enforce a law that law should have some teeth in it, so that when we take action, we will achieve some results from our efforts.

I followed closely the big probe which took place in Montreal, in regard to gambling in other forms. It seems pitiful that we must go along day after day, month after month and year after year making seizures without any great result, and it would appear to me that there is something faulty in the law. The administration, I think, is generally honest and they try to do a good job, but they probably become frustrated after awhile when they see no results from their efforts. Perhaps I could reserve my opinion until I hear some more about this before we close this meeting. That is all I have to say, Mr. Chairman.

The PRESIDING CHAIRMAN: Thank you, Mr. Shea.

Police Chief DAVIS, have you anything to add?

Police Chief DAVIS: I will just add this, Mr. Chairman. I am somewhat confused about the trend of the meeting. I thought we were going to discuss lotteries, but now I find we are discussing gambling from every angle. As far as I am personally concerned—

The PRESIDING CHAIRMAN: I suppose the answer to that is "which came first, the chicken or the egg?"

Police Chief DAVIS: We got into telephones and betting houses and gaming houses, and I am not really concerned with that.

Mr. MURPHY: We have none of that!

Police Chief DAVIS: To me, personally—

Mr. MURPHY: In the maritimes we have none of that!

Police Chief DAVIS: I must also mention, ladies and gentlemen, that Mr. Murphy is present. He was born in the city of Moncton where I now have the honour of serving as chief constable, so I am careful in what I say.

I am quite satisfied that, in the city of Moncton we have no problem concerning lotteries. I am not saying that we do not have them, but I do say that there is no person to my knowledge who makes any personal gain. We have a number of small lotteries—the I.O.D.E. conduct a raffle and sell tickets for a dollar on a lamp or something like that the proceeds of which go for charitable purposes, and the Canadian Legion have their lotteries, but I am satisfied that the proceeds of each go to charitable purposes. I have listened to the arguments and I feel if some measure could be brought about whereby the respective attorneys general in the provinces were given some authority to decide themselves and take it away from the federal government, and put it where it belongs in the hands of the individual provinces, I think perhaps then we could arrive at a better solution. That is all I have to say, Mr. Chairman.

The PRESIDING CHAIRMAN: Thank you very much, Mr. Davis.

Mr. MacDonell, have you anything you would like to add?

Police Chief MACDONELL: Further to what Mr. Shea has said, I might add that as far as the railroad is concerned, police work takes place in a lot of cases. I will tell you about an incident that happened accidentally as we were checking a local man whom we knew had been convicted at one time of conducting lotteries. He had moved out of our district into another district close by and we had received reasonable information which led us to believe that tickets were going out via the railroad. In order to check on those lottery tickets our men of course took search warrants and searched the trains—with the assistance, I must say, of the railway police, and we not only discovered what we were looking for, but we ran into other cases across Canada, although we did not have evidence to prosecute any of those cases. This kept on, and I think we turned through the magistrate's court last year something like \$70,000 which had been taken from railway trains for lotteries and tickets. I have seen letters which have come back to some of the agents asking for their receipts. The postal notes or money orders that the magistrate had signed had been cashed, of

course, and these people were not able to recognize the name and some of them wrote stating that they knew they had been cashed, but could not identify the name. We have, of course, been threatened by different lawyers, but nobody has come forward in any way to do anything about it, and we are still carrying on with our investigations.

As far as bingos are concerned, we have them in the city—quite a number I believe—and we were one of the first police forces to have a test case concerning bingos. We have had some convictions. I remember one in particular—I would not say he was a professional man, but more or less an amateur as most of them were—where we got evidence and prosecuted and convicted. We still have the service clubs—the Lions, Kinsman, and I guess a couple of other clubs I am not so familiar with—and some of the finest citizens in this city are members of them. As far as I know, they have turned over a lot of money and performed much good for the city. I am not prepared to give information about the exact figures, of course. I believe, Mr. Chairman, that is about all I have to say.

The PRESIDING CHAIRMAN: Thank you very much, gentlemen. Now, if the members of the committee have questions they would like to submit, we could begin at the left of the table with Mr. Cameron. By the way, you may direct your questions to any member of the panel here.

Mr. CAMERON (*High Park*): My questions will be directed to Mr. Robert, in the main. In regard to prosecutions or the holding of lotteries by service clubs and similar organizations where they sell you a ticket and offer as inducement the opportunity to win an automobile, motor boat or house or something, is not the law sufficient—has it not got enough teeth in it now—to enable prosecutions to be brought against such organizations if it were desired to do so? I am basing that on the opinion of an Ontario prosecutor who suggested that in a community there might be opposition to those things and someone would notify the police and the police would prosecute, but that in other communities there would not be the same opposition and unless someone complained to the police they would blind their eyes to it. I rather gather that the law is not blame but probably it is due to the fact that there is a favourable opinion towards them in some communities and an unfavourable opinion in other communities.

Police Chief ROBERT: Police officers, first of all, are not lawyers, and they must depend to a great extent on the advice they receive from their city prosecutors or crown attorneys, as Mr. Mulligan mentioned. On several occasions, as Mr. Mulligan stated, he had to refer to the city prosecutors and the police have to obey and follow their advice. Personally, I feel that raffles of cars, houses and other things of that nature are illegal, that is my personal opinion. However, the police officer, as I said, must follow the advice of his counsel.

Mr. CAMERON: There is no question about it at all—they are illegal?

Police Chief ROBERT: To my point of view there is no question at all on that point.

Mr. CAMERON: The suggestion was made that the law should be amended, so you could prosecute the keeper of a gambling house or betting house?

Police Chief ROBERT: I am just referring to article 226 which serves as an excuse for the holding of such raffles. That is why I feel it would help.

Mr. CAMERON: You feel if it were out—

Police Chief DAVIS: —it would clarify the situation a great deal. That is why we suggest the removal of the proviso in section 226.

The PRESIDING CHAIRMAN: Section 326 or 226?

Police Chief ROBERT: No. Section 226.

Mr. FAIREY: That is the section that sets up licensed premises for the operation of gaming houses?

Police Chief ROBERT: I will just read the last portion of that section:

... but the provisions of this subparagraph shall not apply to any house, room or place while occupied and used by an incorporated bona fide social club or branch thereof if the whole or any portion of the stakes or bets or other proceeds at or from such games is not either directly or indirectly paid to the person keeping such house, room or place, and no fee in excess of 10 cents per hour or 50 cents per day is charged to the players for the right or privilege of participating in such games, nor while occasionally being used by charitable or religious organizations for playing games therein for which a direct fee is chargeable to the players if the proceeds are to be used for the benefit of any charitable or religious object,

And so forth. Does that answer your question?

Mr. CAMERON: I gather that you say the removal of these exemptions would make it easier and there would not be any excuses at all?

Police Chief ROBERT: Definitely, sir.

The PRESIDING CHAIRMAN: Does any other member of the panel care to answer that question? If not, have you any questions, Mr. Boisvert?

Mr. BOISVERT: No questions.

The PRESIDING CHAIRMAN: Mr. Lusby?

Mr. LUSBY: I will just address my questions to the panel generally. I take it in the whole field of what we might call gambling you have on the one hand the carrying on of these ventures by people who are concerned only with their own gain, someone who runs a gaming house or derives a livelihood from organizing lotteries and so forth. There is no substantial body of public opinion in any community which favours allowing that, is that correct?

Police Chief ROBERT: Do you want me to answer that?

Q. Yes.—A. I would say the majority of citizens want the laws enforced and are not in favour of that. You are not referring to organizations but to ordinary individuals?

By Mr. Lusby:

Q. Yes, a man undertaking to organize a gaming house for his own gain?

—A. Yes.

Q. And the difficulty about enforcing the regulations against that type certainly does not arise from public opinion?—A. No.

Q. When we have the other type which we might call the "quasi-respectable" type, which is what I think we are more concerned with here. Do you think if the provisions regarding lotteries held by charitable organizations and other types of organizations were widened in order to allow more of them, that that would have any effect on the carrying on of the ordinary commercial gambling ventures? Do you think it would lead to an increase in them or a decrease?—A. Personally, I feel if we do make the provision wider we are asking for more trouble, more problems and more abuses.

Police Chief MULLIGAN: Yet, Mr. Chairman and ladies and gentlemen, the argument of some of our senior officers is that if the provision were broadened sufficiently for the average organization to provide a prize that would be greater in value than \$50 that it would solve a lot of the difficulties. In Vancouver the most desirable prizes appear to be television sets or two tickets to Honolulu. It is the feeling of some of the senior officers that if the exemptions were extended to meet that that it would assist in solving a lot of the difficulties.

Mrs. SHIPLEY: Do they include a car? Do they go that far?

The WITNESS: No, they are rather reluctant to broaden it too far, but I only throw that out as a suggestion.

Mr. FAIREY: That is not your opinion, chief?

The WITNESS: No, it is not my personal opinion.

Mr. LUSBY: Would the other two members care to express any opinion?

Police Director SHEA: I do not think so, except this: I think we are all agreed—everyone I have discussed it with as far as the police are concerned, and also the public, I imagine, to a large extent—that we are all opposed to persons, private individuals or racketeers, making a livelihood of this under the guise of charity. I think that is the crux of the whole thing. I believe the present law seems to provide an aspect for some of these individuals to carry on for some years as racketeers, and I think it is probably the duty of this committee—and not the duty of the police chiefs—to see that the proper recommendation is made. I do not think many of us know the answer—it is an experiment. Chief Davis said something which I think might have merit, that it would depend on the enforcement in the various provinces. Our own experience is this: I am afraid that if the Attorney General of Quebec, for instance, gave permission to some organizations to run a lottery for a very worthy cause, it would be extremely difficult to restrict the sale of tickets to the province itself. The tickets would probably land up in Vancouver and Halifax—right across the country, and where you have people carrying or shipping them. Now that the mails are pretty well closely watched, it is my impression they are going to try and ship through transportation companies. Trucks and busses today operate practically all across the country. I have never heard it mentioned, but knowing gamblers and racketeers as I do, I am aware they do not overlook any possible means, and it is quite possible they are using trucks and perhaps busses which would have less policing than the railways. An attorney general on his home ground might know the sponsors, and he might keep it out of the hands of the racketeer.

Police Chief DAVIS: Referring back to the statement I made previously when I suggested that it be put into the hands of the attorney general's department of the respective provinces, it brings back to my mind that we have had certain laws enacted in the province of New Brunswick covering slot machines. That is covered by the Criminal Code of Canada, but the province of New Brunswick saw fit to legislate their own law governing the operation of slot machines, and they call it, the Slot Machine Act. That was my thinking when I suggested that no law is enforceable unless it has public support, and if this matter was left in the hands of the respective attorneys general of the different provinces, I think perhaps they could govern themselves accordingly.

The PRESIDING CHAIRMAN: Are you through, Mr. Lusby?

Mr. LUSBY: Yes.

The PRESIDING CHAIRMAN: Mr. Murphy?

By Mr. Murphy (Westmorland):

Q. I have listened to Police Chief Mulligan and Police Chief Robert of Hull and in the one instance your questions will come out of this and I should like to have some comments on this. Police Chief Mulligan tells us that his senior officers would like to see the law relaxed and Police Chief Robert tells us that he would like to see it tightened. What I gather from our chief constables is that they are rather in the middle. I think they want to carry out the law and as it is now it puts them in the position of having to enforce certain laws of this country but having to wink at the enforcement of other laws of this country, so that if we could make gambling either strictly illegal or strictly legal these men would know what to do. Apparently what happens

now is that if Chief Robert goes out in his district—or so I gather—and raids gambling or lotteries or certain types of them, they immediately set up the cry that this is a bazaar and comes under the heading of charitable exemptions and therefore Police Chief Robert wants it set down in black and white so he and his men will not get into trouble with the authorities, the public and everybody else, and so that he will do the right thing. On the other hand, the men in Vancouver say, "Relax the law because they are going to do it anyway, and now you are just making fools of us." I gather from this panel, gentlemen, that all you want, and your opinion is, that the laws should be set out so that you do one thing or the other so you can teach respect for the laws and not have to wink at them, is that correct?—A. Yes, that is correct in this respect: we find there is a great deal of confusion in the public mind as to what they can and cannot do. The law does not seem to be clear to them. The officials of organizations come to us and say they wish to put on a lottery in order to raise money for some very worthy cause, for instance sending underprivileged boys to summer camps which is a very worthy idea with which the police would naturally be sympathetic. We tell them they cannot do it and they ask why and we must explain, but we say that we are not the ones to tell them and that they should seek legal advice. What it almost amounts to, really, is that we are trying to tell them how to circumvent the law. Invariably they ask why this sort of thing is permitted at the exhibitions and as a result we explain the law in respect to agricultural fairs. We actually had one case where they took a cow, some goats and some rabbits and called it an agricultural fair!

Q. And wheat?—A. And they had some home cooking which the women brought.

Mrs. SHIPLEY: Well, was it?

The WITNESS: It was a success. They sent the boys to camp. I think that type of confusion should be cleared up.

Mr. MURPHY (*Westmorland*): That is just what I mean.

The WITNESS: There is also some confusion about the exemption section dealing with the prizes. I have never been able in my experience as a police officer to quite understand what is meant by "prizes previously offered for sale." People ask us if they can have just one prize valued at \$50 or several. I do not think we should be the ones to try to tell them. They should understand it clearly and perhaps there should be some broadening of the law there which might have the desired effect.

Mr. MURPHY (*Westmorland*): Broadening or tightening?

The WITNESS: One or the other.

The CHAIRMAN: Is there any comment, gentlemen?

Police Chief ROBERT: Yes, I have a comment, Mr. Chairman. I have studied the problem of gambling and lotteries for a long time and I have seen the very detrimental effect this has on families and on the population in general. That is perhaps why my attitude may be different from the others sitting on this panel, although I believe that they will all agree to one point: we as police officers—and I believe I am the youngest of the five as a police officer, although not in age. I have had only 25 years in police service. The others have been in police service up to 40 years.

Police Director SHEA: Don't look at me!

Police Chief ROBERT: But I believe we will all agree on the point that we do not want to deprive charitable or religious organizations—genuine religious and charitable organizations—of possible ways to raise funds, providing that only those charitable organizations will profit by the proceeds. We do not want any professional organizers, as Police Chief Mulligan pointed out a while ago when he told us of a certain case where there was only 10 per cent of the net

revenue that was actually turned over to charity. I believe as police officers we all agree that that is not good. I have read several books on the effect of gambling or the legalization of gambling. There is an especially interesting one that has been published by the Chicago Crime Commission and written by Mr. V. Patterson, which is quite recent and covers a complete survey of all the states of America and which gives a very interesting and informative picture of this type of problem. I feel that the law should be amended as suggested for the reasons I have just mentioned.

The CHAIRMAN: You said something about the effect on families but you did not go into it in any detail. Would you care to amplify your statement?

Police Chief ROBERT: Yes. It is only human nature and one of our human weaknesses that a lot of people like gambling, but a lot of people do not know when to stop. I have known several families that have been disrupted on account of gambling. I have known several youngsters who turned or became delinquents and later criminals on account of that and on account of the behaviour of their own family. I have known several young men who have turned criminal after having taken the money that has been placed in their responsibility and gambling with it. We can cite several of these cases. Years ago—I believe some 20 years ago—when chief MacDonell and I were detectives, we investigated several cases of safe-cracking in the district and outside the district, which had been committed by a group of young criminals lead by a nice young man with a fine personality, good background, and good education, who had turned criminal on account of gambling. That is only one of the cases which come to my mind. That is the effect it has on society. I could mention several if the time permitted but I do not want to keep you gentlemen too long.

The PRESIDING CHAIRMAN: What do you mean by gambling? Do you mean that forms of bingo and raffles lead to other forms of gambling?

Police Chief ROBERT: Definitely. I could even say, Mr. Chairman, that most of the bingo games are patronized by mothers of large families and they mostly come from the working class. They cannot afford the money they spend weekly on those games. Often it has been brought to my attention that children have been neglected at night. I know of cases where police officers have acted as baby-sitters waiting for the return of the mother or father who have gone to play these games.

Mr. WINCH: That is public service.

Police Chief ROBERT: Yes, it might be called service on the part of the police.

Mr. MURPHY (*Westmorland*): Could you add a word about these travelling shows which run these wheels, and their effect, that travel from town to town in the summer time?

Police Chief ROBERT: I have not had much recent experience with them although I worked on the fair grounds for about seven years. I have not any recent experience. However, I can mention that according to what I know, that is another problem and a serious one; indeed a serious one. Some of those gadgets are the most dishonest thing you can imagine.

The PRESIDING CHAIRMAN: Do you mean guessing women's or men's weight?

Police Chief ROBERT: No. I mean those games which are gadgets such as for throwing three balls in a basket, and the contestant will place a ball, as I understand it, into a little bucket but the third one never goes in for some unknown reason. And, there are several other games of that nature. We have not talked about this problem. This is my personal opinion, that a limit should be imposed upon the amount of money that could be bet on those games if the law stays the way it is.

The PRESIDING CHAIRMAN: When you say the amount of money that should be bet, what do you mean?

Police Chief ROBERT: Limit each bet to a certain amount of 10 cents or something that will actually kill the activities. In some cities they are up to 25 cents and 50 cents.

The WITNESS: What often happens is that the operator of these games will pyramid; he will allow a person to double and go again for 10 or 20.

Mr. MURPHY (*Westmorland*): You would have to have a police officer for every booth in the fair. I was appointed a special police officer in Moncton to do that work one time. You need 50 men. You could not control it if you put a limit on the bets.

The WITNESS: In Vancouver the operator of a midway was made liable and it has been fairly successful.

By Mr. Winch:

Q. I have two questions to ask Police Chief Mulligan and one to ask Police Chief Robert. As a result of all your personal experience and contact with the general public would you feel in your estimation that there is any kind of wording at all that could be put in the Criminal Code on raffles and lotteries that would stop people from buying sweepstake tickets and raffle tickets? You do not think it is possible?—A. No, I do not think it is possible.

Q. Actually what you have in mind is it is the responsibility of the Commons or this committee to draft something that will have a sensible approach to the matter and be done in such a way that it would be enforceable by the police department.—A. I believe that is what we are really hoping.

Q. Police Chief Robert remarked that you do not want to be in a position of recommending that a *bona fide* charitable organization cannot raise money for its purposes, and you instanced a case of one of the Legion branches in Vancouver who took in a period of months \$62,000 out of bingo and you mentioned one per cent went to charity.—A. \$1000.

Q. But, approximately 80 per cent was paid out in cash prizes. Now, do you consider that ratio of the returns of the money of those who are investing it in bingo is a fair return on a *bona fide* charity of a veterans club or charitable organization?

Police Chief ROBERT: If the reason involved for organizing bingos in that case was charity, I believe that the returns in this case have been a little too high. If we feel that by going to a bingo game we are actually fulfilling a certain duty towards the organization that we believe is a worthy organization, I believe that we are losing all sense of charity if we feel we should win a million and, furthermore, if the organization can only obtain 10 per cent I believe it is not worthwhile due to the very bad effect it has on the society in general.

Mr. WINCH: One more question on that same phase. Would the chief mind stating just what he has in mind when he speaks of a charitable organization where they might have a raffle or bingo? The reason for the question is that the Canadian Legion or the Army or Navy Veterans may want to put up a structure, a decent structure, for the recreation of veterans of Canada. Would you consider that a charitable organization?

The WITNESS: We are in the hope that you will be able to find out that for us.

The PRESIDING CHAIRMAN: Mr. Fairey?

Mr. FAIREY: No questions.

The PRESIDING CHAIRMAN: Mrs. Shipley?

By Mrs. Shipley:

Q. I just have one question. It is a little vague I am afraid. But, assuming that this law is amended so that it is clear and easily understood by the public and the police officers who have to administer it, and assuming we might perhaps enlarge the value of the prize in lotteries, do you think it would be possible to confine the sale of the tickets within a given area such as a municipality? In other words, in Vancouver it would be confined and any properly constituted organization that received a license for permission to carry on the lottery could not sell those tickets outside their own town. I make that suggestion for this reason: I think that no matter how carefully we re-define the law, it is going to be pretty well up to the people within any community how well that law is going to be administered. If you have lottery tickets from towns around about or from any distance away, it is not possible for the general public in those circumstances to be sure that the cause itself is legitimate or to be sure that it is properly run. But, within your own community the results are pretty well in your own hands. Do you think it would be possible to confine it? That is my question.

A. I certainly think, madam, that it could be if properly set up, and by that I mean the application for a permit to do the things you have said and if that could be made out in the form of a questionnaire. I only mention this as a discussion that perhaps it could be directed to the hon. the attorney general of the province instead of the present system of directing the application to the mayor or the reeve. Perhaps in some communities it would be proper to have a local option as to whether they would like to buy lottery tickets from Vancouver.

Q. The organization would apply for the permit in the usual manner. I had in mind that each service club might be given one each year, in other words not to have more than one each year. That way you are going to hold this thing within bounds. The officers of the clubs would apply through the police department to the council and get a license or a permit in the manner that other people apply?—A. I think we might be open there for criticism. I think we would rather it go to some other authority.

Q. I do not know if the practice is the same in other cities, but in Kirkland Lake the police department investigate the applicant and if there is anything against the applicant it is the policeman's duty to inform council and council takes the onus of issuing the permit. The police department as it does in all other cases provides us with information.—A. As it stands now, Mr. Chairman, in Vancouver an organization might make an application to the mayor's office for a permit to conduct a lottery and if he thinks that they are going to obey the stipulation of \$50 prizes, the permit is granted. But, we have heard of cases where they went far beyond the original intention.

Q. In my opinion that is a very bad method. I do not think that the application should be made to one elected officer. There is nothing in the Act that says the mayor could not delegate the authority to the chief of police which we did incidentally and it worked beautifully.

Mr. FAIREY: May I interrupt? You say you would not like that?

The WITNESS: No.

Mr. FAIREY: What makes you think that the attorney general of the province would?

The WITNESS: Perhaps the applications could be sent to the attorney general's office.

Mr. FAIREY: You think he would like the job of deciding whether or not to grant the license?

The WITNESS: He then could write to the chief of police of that community and ask for a report on these people, find out what the chief of police thinks and obtain any recommendations.

The PRESIDING CHAIRMAN: You think that a certain delay might discourage the applicants?

The WITNESS: It might.

Mrs. SHIPLEY: If it is going to be confined to an area, I think the granting of the authority must be within that area itself, and I am trying to place the onus on the municipality. The council of that municipality are elected and if they are not doing as the majority of the people wish the people have in their power to do something about it. I do not think it would be wise to have that application go to the province. They would not know enough about the local situation and there would be too much delay.

Police Director SHEA: May I say, madam, that you happen to be in fortunate municipality because it is a township, I believe, and the Chief of Police at Kirkland Lake not only has a town but a certain area.

Mrs. SHIPLEY: Six miles square.

Police Director SHEA: You have other municipalities where there may be a large service club with suburban branches. In Verdun in Montreal, we have that. A smaller municipality might not have that. That is why we feel that the attorney general might be the better judge of administering these things. It might extend far beyond the border of your municipality.

Mrs. SHIPLEY: I can see your difficulty in the larger centres but for smaller ones I think that would work.

Police Director SHEA: There was a lottery going on in the United States, and a friend of mine, a chief in the United States, asked me if we sponsored this lottery. They had printed a large engine on a circular which said "Canadian National Lottery". It gave the impression that it was the Canadian National Railways which purported to hold the drawing in the town of Hawkesbury, Ontario. I immediately sent a man to Hawkesbury and they informed him that they had never heard of it. It was circulated that a draw had been made, the prizes distributed, and the names of the winners were given, and that they were met at the train by a band and a social function was held. No such thing happened.

Mr. WINCH: Did you make an investigation to find out if the government was trying to get rid of the Canadian National Railways?

The PRESIDING CHAIRMAN: Mr. Fulton.

By Mr. Fulton:

Q. I take it although you probably do have your own personal views on the moral question involved you have made an attempt, which I certainly respect, and I think you have succeeded in, to discuss this purely from the point of view of law enforcement?—A. Yes.

Q. You are not trying to express a personal opinion on the moral issues involved?—A. That is correct.

Q. I have gathered the impression from what you said here dealing with lotteries and sweepstakes for charitable objects—using that in the broad general term, because we might agree that it is not the gambling aspect of it which you feel to be wrong per se—in other words, holding a lottery or sweepstake is not what you would regard a natural or moral offence, it is rather the conducting of a dishonest lottery, where the benefits to the individual buying the ticket are not as great as stated on the face of the ticket. That would be the point you have in mind?—A. Yes, I think so. I do agree with

you to a certain extent, but there are certain charitable reasons, good reasons, why money should be raised, and this is apparently the only way that certain organizations can do it and they have been doing it under the provisions set up. Now, as the chief pointed out the weaknesses of certain people are such that they cannot stop. There is also the fact that certain organizations are business people and they have sponsored some charity and want to raise money and are too busy and they retain the services of some professional organization or promoter who asks for a percentage of the proceeds and he gets busy and does what he thinks is a good job.

Q. That would be the second branch of my question later. It is either the conduct of dishonest lotteries or alternatively the conduct of a lottery where too much money is made by an individual and not sufficient proceeds go into the charity which is the ostensible purpose of the lottery.—A. We thought that perhaps all expenses towards that charity could be done without paying anyone. We feel even in a case like that that the printing of tickets could be done by some firm with their name on the back of the ticket for advertising.

The PRESIDING CHAIRMAN: Mr. Shea might have something to say on that.

Police Director SHEA: I would like to clarify that. For my part I doubt that the police would come here and make a moral issue of this. We believe if there is proper control to make the law enforceable it would serve our purpose. Police Chief Robert said that there was rather a moral issue involved. I could not go along with that, because the Queen sells liquor through government stores, and because we have Alcoholics Anonymous, we do not prevent the controlled sale of liquor. We would be for temperance rather than for prohibition, and only for well-organized charitable purposes.

Mr. FULTON: What you would want is clearly defined provisions of the law which enable you to decide which lotteries should be permitted and which not, and also to enable you to decide whether it is being conducted in a bona fide honest manner allowed by law or whether, on the other hand, it is being conducted in a manner prohibited by law?

Police Director SHEA: I would concur in that.

Police Chief DAVIS: We are talking about organizations in general. I can think of no more charitable organization, for instance, than the Y.M.C.A. or the Salvation Army. They require funds all the time. They are non-profit organizations and they solely rely upon the public for support. Yet those two organizations would not think of holding a lottery or selling tickets. They would not even give the matter a single thought of conducting anything for gain which would be in contravention of any laws. So, I think the matter is a little too broad the way we are discussing it when we talk about organizations, because there are many organizations that are desperately in need of funds, but they have a principal that they will not permit any member or number of members of their organization to obtain funds in a manner which would likely contravene any section of our federal or provincial statutes. Everything has to be taken subject to that. However worthy the notion, we should not condone an infraction of the law for a so-called good motive. There are large numbers of our society who believe that raising of money for charitable purposes by lotteries conducted within the law is a perfectly proper moral course of conduct.

Mr. FULTON: Coming back to Police Chief Mulligan, may I ask if one of the cases he referred to where the police department proceeded against the organization had as its purpose the raising of funds to provide milk for school children?

The WITNESS: That is correct.

Mr. FULTON: Which most people would agree is for a charitable purpose.

The PRESIDING CHAIRMAN: Police Chief Davis says that should be provided by the public at large by contribution rather than be taking a chance on a draw.

Mr. FULTON: They did agree to the question of raising funds by lotteries for moral reasons. I thought we had agreed so far all we wanted was a clearly defined law defining the system under which that might be done and laying it down so that the public could understand it too. That, I understand, was in Police Chief Mulligan's and Police Director Shea's mind.

Police Chief DAVIS: I made a little study of the laws in England in regard to, as I call it, gambling, and I think it is without any question of doubt that betting is permitted in England by statute. I feel if we let the bar down in this country we will probably develop a situation like they have in England where a father and mother have a bet on the sweepstakes every week, also the daughter and son. They tell me that every second person in England gambles every week on their pool. If we let the bar down too much in this country, are we going to develop the same situation?

Mr. FULTON: That is a question I would not dare to answer. Could you give us the answer?

The PRESIDING CHAIRMAN: Police Chief Robert, would you care to comment?

Police Chief ROBERT: Yes, Mr. Chairman. I feel that once games or raffles are organized for the purpose of so-called charitable organizations and that when the prizes are too high the money that must be obtained from such raffles or games must also be high. Secondly, when professional organizers make a living out of organizing raffles or games it is illegal and I think that it should not be permitted because it leads to many other problems. Problems which relate to gambling involve what we call "corruption" because we know of several cases in police work, unfortunately, which have led to very sad cases of corruption.

Mr. FULTON: But Police Chief Robert, would you not agree with me it might lead to even more problems if you made any attempt to prohibit lotteries and raffles absolutely?

Police Chief ROBERT: I am not in favour of prohibiting entirely, but I am in favour of putting a limit on them. But let us not make the gain from those lotteries too big, because there are so many greedy persons who will go after them, and they will do anything to get around the law and work their way in, until finally it is not for charity but for their personal gain and to my way of reasoning it turns out to be pure gambling.

Hon. Mr. GARSON: You feel we should take the big profit out?

Police Chief ROBERT: Yes, sir—

Hon. Mr. GARSON: And it will improve itself?

Police Chief ROBERT: Definitely.

The PRESIDING CHAIRMAN: Would you like to add anything, Police Chief MacDonell?

Police Chief MACDONELL: I agree with that. In the bingos for the service clubs it is a case of competing as to who is going to get the crowd if there is no limit on the prize. If it is a case of a business affair, one service club will think that unless they put up a television set as a prize the Lions club will get the crowd. It is competition even if it is legal and nobody is getting paid and it is conducted in a proper way. It is still a case of prizes to get the crowd there and to get the money to turn over to charity. If that continues I am afraid they will probably run themselves out of business, if they keep on competing with each other for prizes. I understand that some places have

gone into debt on a bingo because of the prizes they had arranged for and because there were not enough people present at the bingo to cover the cost of the prizes.

The PRESIDING CHAIRMAN: Mr. Fulton?

Mr. FULTON: What I was coming to from that previous question—and I see there is a difference of opinion with me, at any rate between the various members of the panel—what I was going to ask is whether in cases where you say a certain percentage was guaranteed, regulations were laid down that a certain percentage must be to a charitable organization and regulations, if you like, governing the size of the prizes and also regulations governing the conduct of the raffle and the percentage that might be taken by the person conducting it which would be bound up in the percentage that went for charity—providing those regulations were met, would it increase your task as law enforcement officers? Where the authorities could get a permit for the conduct of a raffle under those regulations it would not make your difficulty any greater if the licensing or permit of the authority was clear and specific and the terms under which the lottery could be conducted were equally clear and specific?

The PRESIDING CHAIRMAN: Were you addressing your question to Police Chief Robert?

Mr. FULTON: Yes.

Police Chief ROBERT: I will answer that question, sir, by saying that our work to enforce law would then be doubled because we would have to hire auditors to check on the revenue “take-ins”, find out the cost of the prizes and make sure that the proper percentage of the proceeds went to charity and was within the limits and so on and so forth. I believe it would make it worse.

Mr. FULTON: You think it would increase your work?

Police Chief ROBERT: Yes, to a certain extent.

The WITNESS: I would not agree with that. I think if applications for permits were granted to responsible organizations on the terms you set forth, and they themselves would have their own auditing done by a responsible firm of auditors, I do not think we would have to provide much supervision.

Mr. FULTON: Your task then would be merely to ascertain whether they got the license or not?

The WITNESS: Yes, and if we then heard complaints that they were not complying we could investigate and then prosecute if necessary.

Police Chief ROBERT: Could I add a word? I am sorry to disagree with my good friend, Police Chief Mulligan, but we would have to depend on the word of the report given to us by the organizers.

The WITNESS: If the application went to the attorney general of the province and he referred it to the chief of police in the community for a report and recommendations and it was a responsible and worth-while organization composed of good citizens which conducted it and you recommended it, certainly they would comply with the terms.

Mr. FULTON: Yes, but Police Chief Robert's point is that it would be up to someone to see they complied with the terms of the license and my point is that the attorney general would draft the regulations under which the lottery would be permitted and then they would ascertain whether the application for a license came from a reputable firm and whether it complied with the interpretation of “charitable object” and if they were satisfied on these terms they could issue the permit. How could you say that would increase your difficulties?

Police Chief ROBERT: I am sorry. I may not have understood your question properly then, but what I understood was that a certain percentage would be set by the Code—say 25 per cent or 30 per cent would be set by the Code—to actually go to charity.

Mr. FULTON: That was not my intention, but it might be a possibility. You see, we have had representations that the discretion should be given to local authorities, either provincial or municipal, and I was following that up?

Police Chief ROBERT: I am sorry.

Mr. FULTON: Then it would be up to them to draw the regulations under which they would issue such licenses and lay down the percentage which would go to charitable organizations and so forth. I was asking if, from the point of view of law enforcement officers, such a scheme would increase your administrative difficulties?

Police Chief ROBERT: If there was any restriction or any percentage set in the laws made by the province or county or municipality, someone would have to control that to see if they had complied with the law.

Mr. FULTON: You do now.

Police Chief ROBERT: To a certain extent. But, when it comes to auditing the books, it is different.

Mr. FULTON: When it comes to the question of the value of the prizes?

Police Chief ROBERT: We can easily do that. But, the way I understand your question I feel it would surely mean more work to us.

The PRESIDING CHAIRMAN: Mr. Fulton, may I ask if you would permit the Minister to ask a couple of questions. We will go on tomorrow morning if it is your pleasure at 11 o'clock. The Minister has to be in Winnipeg tomorrow night and will not be here. Mr. Garson.

Hon. Mr. GARSON: I was wondering if we might clear up the points under discussion by putting to the panel some material from the British Report on this very subject. I think it is squarely to the point, and I would ask the members of the panel if they would agree that the same conclusions should apply under Canadian conditions. I will read it out and ask your comment: "once the sale of tickets in small lotteries to members of the public is permitted without restriction, the dangers of abuse are greatly increased and for this reason an even stricter control over the conduct of such lotteries would be required than is applied to the existing forms of legal lottery. If tickets were allowed to be sold freely it would, in our view, be necessary to provide that the lottery be conducted in accordance with such conditions as the following:"
 "Now, this is the very point put to Police Chief Robert.

(i) that the lottery should be promoted for purposes other than those of private gain, that no profit should accrue to any person from the administration of the lottery and that no commission, either in money or by way of free tickets, is paid in respect of the sales of tickets.

I will read all these and you can see if there is any one you disagree with.

(ii) that no person whose business or employment is the provision of gambling facilities should have any part in the promotion or administration of the lottery;

(iii) that no administrative expenses should be allowed except printing and stationery;

(iv) that no public advertisement of the lottery or advertisement by circular should be allowed, and that neither tickets nor offers of tickets should be sent through the post;

(v) that tickets should indicate by whom and for what purpose the lottery is promoted;

(vi) that prizes should be limited in value to not more than, say, 100 pounds, and that the price of tickets should not exceed 1s;

(vii) that the promoters should keep an account, which should be available for inspection by the police, showing the amount collected, the amount disbursed in prizes, the amount charged as expenses and the purpose towards which the surplus has been devoted.

Now, would you say that if we were to make any change in the present law towards the authorization of lotteries—we will say for charitable purposes—that these rules should be followed, and if not in what respect would you say they should be varied?

Police Chief MULLIGAN: I personally would say, Mr. Chairman, that if those rules were complied with and made part of the application for the permit that would solve a great deal of the problem. I would be in favour of that. It is proper control.

Hon. Mr. GARSON: Would you agree it would be necessary, however, perhaps, as Police Chief Robert has stated, that in some instances at least a careful audit would have to be maintained? I suppose a great deal would depend upon who were licensed in the first place?

Police Chief MULLIGAN: Yes. And one of the conditions could be that the sponsor obtain a firm of auditors to do that and that their report would be sufficient that there was an accurate accounting. We, in Vancouver, get applications for permits to the mayor almost every day by various organizations and many are duplicated and these I think could be properly screened and we could eliminate and reduce the number of permits issued.

Hon. Mr. GARSON: If you had an ironclad prohibition of everything else, you would be perhaps in a better position than you are today?

The WITNESS: Yes, much better.

Mr. FULTON: It would cut down your job. Unless the auditor discloses something wrong you are finished except to maintain law and order.

The WITNESS: It costs us a great deal of money to send officers to supervise clubs who have applied in cases where we are not sure they are going to comply with the terms and we have to supervise it to see.

By Hon. Mr. Garson:

Q. Police Chief Mulligan, there was another case that you mentioned in Vancouver that I would like to ask one or two questions about.—A. Yes, sir.

Q. I think a remark has been made here by Mr. Murphy that part of the problem at least is due to the fact that there is a large body of public opinion that is really not strongly in favour of the enforcement of the present law, and I think in the light of what has been suggested by Mr. Winch that there is some doubt as to whether they would be in favour of any wording that we might devise. It is with a view to examining that state of public opinion in Vancouver that I would like to ask you in relation to this case that you spoke of, one of conspiracy, where there was a jury trial.—A. Yes, sir.

Q. Of free men sitting on a jury in a case which lasted for about?—A. About three weeks.

Q. And as I understood from you, the Crown had an ironclad case, and no defence was presented at all?—A. No defence was offered.

Q. In the face of that, this free jury brought in a verdict of acquittal?—A. Yes, sir.

Q. Is that not an indication of a very thorough-going lack of public opinion for the enforcement of the law against gambling?—A. It was our opinion, and we wondered if the jury had got involved in such a volume or mass of evidence that they could not follow the law, or that they got lost somewhere.

Q. That is right. And my next point is this: our experience in combines investigation cases which may last for 100 court days is that where you take men who are from business, as jurymen, and keep them tied up for that length of time, they get more and more disgruntled as the days go by in trying to follow a complicated mass of complex and intricate evidence which only a professional person such as a judge himself will have a difficult time to follow, and that a certain time comes when the jurymen is interested more in getting away from the case and getting back to his ordinary business than anything else. Was that an influence in your opinion?—A. Yes, we had that opinion, that after ten days they had soaked up such a mass of evidence that they were confused and were looking towards the end of the file.

Mr. FULTON: Conspiracy is one of the most technical charges to prove.

By Hon. Mr. Garson:

Q. Am I clear that the accusation in that case, in line with the suggestions made by Mr. Lusby, I think, is that public opinion is opposed to people making private gain out of gambling? Do I understand correctly that in that conspiracy case all the defendants were men who were making a private gain out of gambling?—A. Yes, and all the evidence showed they had been doing it over a period of years.

Q. So if the jury was prepared to make a finding against those who were a very good type of people but who were making a private gain out of gambling, it would be very difficult to suppose that that group of men would take a strong attitude against the holding of lotteries?—A. In the condensation of the case there were really three special conspiracies. There were about 12 prominent counsel defending, and I think the jury just became absolutely confused.

Mr. FULTON: Would it not be perhaps more accurate to say that what you assume is that the jury felt that they had not been proven guilty of conspiracy, but that possibly if any one of them had been accused separately of conducting a common gaming house, he might have been convicted; but that it was the technical nature of the charge more than anything else?

The WITNESS: We thought so, because many of those men had been convicted on numerous occasions for book-making.

Hon. Mr. GARSON: Do you mean to imply that those in charge of filing the informations filed the wrong charges against them?

The WITNESS: Oh no, no.

Mr. FULTON: I did not mean to imply that. I meant that the charge was a proper charge, but was a technical one and such a difficult one to prove that in my opinion the jury just felt that they could not cope with the technical difficulties of the case.

Hon. Mr. GARSON: Were you or were you not implying by your remarks that jury trials in respect of such offences as that are inadvisable?

The WITNESS: It is our opinion, sir, that we would like to have seen that trial before a judge alone.

Police Director SHEA: I should like to make a comment to Mr. Garson. At the beginning I reserved the right to make a final comment. You covered the British proposal, firstly, that no personal or private profit from any of these organized charitable lotteries would be made. I think that that is very good. I think that we are all agreed on that. The second is this: we have heard during this discussion that certain large organizations were not able to have these businessmen give their time to organizing and therefore they turned the job over to somebody else. I think that there ought to be provision in

there that if that is necessary that club or organization must be responsible for the personnel as being employed by them and not get a percentage of the proceeds, pay them a stipulated sum—I think that parliament might decide what would be a fair sum—rather than a profit derived from the gross receipts.

Hon. Mr. GARSON: That is to say, the organization should separately take the responsibility for paying the fees of the organizer?

Police Director SHEA: And the books should be audited by a qualified firm of auditors or accountants.

Hon. Mr. GARSON: And there should be no connection between the lottery funds on the one hand and the payment of the fee on the other?

Police Director SHEA: Yes.

Hon. Mr. GARSON: If they did not want to do it themselves, they could get the firm to do it?

Police Director SHEA: Yes, I wanted to make that safeguard.

The PRESIDING CHAIRMAN: I hesitate to draw this meeting to a close. We will meet tomorrow morning at 11 o'clock, with the understanding that Mr. Fulton will be the first to question, followed by Mr. Mitchell, then followed by Senator Fergusson and others.

EVIDENCE

APRIL 29, 1954.
11.00 a.m.

The PRESIDING CHAIRMAN (Mr. Brown, *Essex West*): We have to elect a Senate co-chairman. Moved by Mr. Murphy, seconded by Mr. Winch, that Mrs. Fergusson be elected co-chairman. All in favour?

Carried.

(Hon. Mrs. Fergusson took the chair as co-chairman.)

The PRESIDING CHAIRMAN: Ladies and gentlemen, as you know, we have the Chief Constables' Association with us, but unfortunately Chief Mulligan of Vancouver had to make a change in his plans and has had to leave the city to be in Winnipeg. We have the other members of the panel with us.

Police Director SHEA: The only one that is not here is Police Chief MacDonell, who cannot come this morning.

Police Director George A. Shea, Secretary-Treasurer, Chief Constables' Association, called:

The PRESIDING CHAIRMAN: It was understood yesterday that when we reconvened we would continue questioning, with Mr. Fulton and Mr. Mitchell (London) having preference.

Mr. FULTON: Mr. Chairman, I have a question or two for Police Chief Robert and then one for Police Director Shea. Chief Robert, I hope that I am fair in saying that yesterday you expressed the strongest views of any of the panel against any relaxation of the lottery laws. You gave us certain examples from your own experience of cases where gambling had resulted in broken homes. I should like to ask you this: whether in the majority of those cases there was any other factor besides straight gambling, such as liquor in a case of gambling on premises and in a way which was not in accordance with the present provisions of the Code, or whether it was just the straight gambling?

Police Chief ROBERT: Several cases that I know of are straight gambling. In others, of course, there is the combination of liquor and gambling and other causes.

Mr. FULTON: Gambling even within the law?

Police Chief ROBERT: I would say illegal gambling, such as betting off a race track—"bookies", as we call them—and barbotte games.

The WITNESS: The famous Montreal game, "barbotte".

Police Chief ROBERT: A special game played in Montreal.

The PRESIDING CHAIRMAN: For the purposes of the record, would you tell us how it is played?

Mr. FULTON: No, I do not think we should know.

Mr. MURPHY (*Westmorland*): Davie does not want it to spread from Montreal.

The PRESIDING CHAIRMAN: What is it?

Police Chief ROBERT: It is a dice game.

Mr. BOISVERT: "Barbotte" is a fish.

Mr. FULTON: Would you be prepared to express an opinion as to whether we can devise gambling laws which, if they were sufficiently clear, you would be easily able to enforce, and if gambling were kept within those limits it should not result in the bad conditions that you described?

Police Chief ROBERT: I would be of that opinion. If the laws were made clear so that it would not lead to any misinterpretation by police officers or any other authorities called upon to enforce them, or even lawyers, I believe it would relieve the problem tremendously.

Mr. FULTON: I would like to ask Mr. Shea this question, Mr. Chairman. Section 234 is one that has always intrigued me. I do a great deal of travelling by rail and there is a certain part of the trains in which section 234 is posted, which is what is called "a conspicuous place", and I would imagine that the strict interpretation and application of that section would result in a great many people being up before magistrates, against whom the section is not applied. Just for the purposes of the record, I might say that it makes it an indictable offence with a liability to one year's imprisonment for any person who in effect gambles on railway trains or steamships. My opinion would be that it is wide enough to include games of bridge if there are any stakes at all involved. I should have checked, but perhaps I could ask Mr. Blair: is this section carried forward into the new Code?

Mr. BLAIR: I believe it is, Mr. Fulton.

By Mr. Fulton:

Q. Mr. Shea, do you know of any cases in which that section has been applied in recent years?—A. I can tell you, Mr. Fulton, that it is many years since we have actually had occasion to prosecute for gambling on our trains. Since the depression we have not had it, because we went to war with the gamblers coming over at race times from the United States, card sharps travelling on our trains, especially between Montreal and Toronto, or between Toronto and Chicago or Detroit. We have an association similar to this in the United States, and I have been chairman of that and held positions on committees. We work hand in hand. We tab all these well-known card sharps that travel on trains, and that sort of thing. So we have practically done away with them, and today you might say that there is nothing but friendly games between people, playing bridge or something of that kind.

Q. Would it be your opinion that something along these lines is necessary?—A. I would say "Yes", as a preventative, because these people know that in Canada we have very strong laws. In the United States they tell us, "You are lucky to have such wide laws." Crooks give us a wide berth here.

Q. Would it be a correct statement to say that if this section were vigorously and uniformly enforced many of your conductors and so on would find themselves in difficulty at the present time?—A. I do not quite understand the question. In what way would they be in difficulty?

Q. Is it not so wide that it is the duty of a conductor under the present law to break up even an innocent bridge game?—A. He is the captain of the ship, and for any criminal offence we have an arrangement whereby the conductor—(after all he is armed with this authority for emergency purposes, but we cannot expect him to be a policeman and wield a big stick on his passengers)—can settle any disorderly conduct amicably. He can detain a person who becomes too boisterous, but he must put him off at a station where he can get a taxi to a hotel or something of that kind and not at an isolated place in the country where there is no means of conveyance. We have arranged for the conductor to wire ahead to the first place where there is a policeman and he will take care of the matter there.

Q. You have told me that you think it is necessary to have this to enable you to deal with the card sharps. On the other hand, I do not like laws which are so widely drawn that in the vast majority of cases they are ignored. By subsection 2 of section 234 there is imposed what is really an absolute duty on every conductor in charge of any railway train or steamboat, etc., "in or at which any such offence, as aforesaid, is committed or attempted, shall with or without warrant, arrest any person who he has good reason to believe to have committed or attempted to commit any such offence". If we are right in our assumption that the offence includes also a private game of bridge where even the lowest stakes are involved, there is actually a duty on the conductor to break up that game and indeed to arrest the offenders. What I am asking is whether you think it would be possible or desirable to re-frame that section so that there is discretion left to the conductor where he knows that the game is an innocent one between four friends who happen to be travelling on the same train, so that he does not have the duty—which at the present time is ignored—and he can use his discretion so that if he knows or has reason to believe that there is a definite gambling game going on he can exercise his powers of arrest. My question, therefore, is: Would you be willing to express an opinion as to whether it is desirable to modify the section so as to give the conductor a discretion?—A. Mr. Fulton, I think that the legislators when they framed this—if I recall correctly, I have not read it for some time, there were no changes in section 234 in the new code—took this into account. A conductor is not a police officer nor a barrister who can judge the enormity of an offence. This law was framed whereby he had the power to do these things. These men do not have much experience in this matter. In fact, you probably would not find any conductor in the country who knows any more than that there is a law. They are informed as to their power and that they should stop these things, and they do. You could call the first ten conductors you meet and, apart from the fact that they might say that a few gentlemen play cards in the parlour car or something of that kind, they would say that there was no money involved in this. These people may be members of parliament.

The PRESIDING CHAIRMAN: No.

Mr. FULTON: He said "four friends".

The WITNESS: These games might give the impression to some people who are not conductors that there was more involved.

Mr. WINCH: I have seen conductors more than once tell players to take the stakes off the table in a train.

Mr. BLAIR: For the benefit of the record, section 234 is reproduced in section 180 of the new Code, and the conductor still has the power to arrest, but there is no penalty for him failing to make an arrest.

Mr. FULTON: My only point was this. It seemed to me to place an onus on conductors and that it was not fair in that it imposes an absolute duty on them. There are many cases in which there is no vicious form of gambling going on. As a matter of principle, I do not like to have the kind of law that is more honoured in the breach than in the observance, and I wondered whether it would be fairer to all concerned to modify it, but I take it that your opinion is that you do not think it is necessary?

Police Director SHEA: I do not think it should be modified. In the first place, a conductor, I imagine, if he did not have the authority and he was not expected by the company to enforce it, would not like it—it is a distasteful thing. So I think that if it is mandatory for him to police the situation it is better than to give him discretion, because he would not use that discretion often. His discretion would be to stay out of the thing, I think.

Mr. MITCHELL (*London*): I was interested in some remarks made by Chief Davis and the other members of the panel yesterday, which I would like to pursue a little further. The Chief indicated that the Y.M.C.A. and the Salvation Army do not conduct lotteries, and that to those two charities could be added many more. I am thinking at the moment of the Institute for the Blind, the Family Service Bureau, the Red Cross, the Boy Scouts, and undoubtedly others. The people who operate those charities and do the work which produces the necessary funds usually represent a fairly responsible section of society in any community. Would the chiefs care to comment on whether or not that represents responsible opinion in each community, that lotteries are not the method, for one reason or another, for raising funds for charity? Perhaps Chief Davis would comment.

Police Chief DAVIS: In principle, I would say this, that a number of organizations do resort to raising funds through that method.

Mr. MITCHELL (*London*): Is there any other reason that you have gathered from observing the operation of these various charities that perhaps some of the most responsible charities do not resort to lotteries?

Police Chief DAVIS: I think that perhaps this is a matter of principle.

Mr. MITCHELL (*London*): It is a matter of principle? Perhaps I could come at it in another way. Would you think that persons who operate those charities feel that if they operated bingos or raffles it would prejudice them in any other fund-raising activity which they sought to undertake?

Police Chief DAVIS: Possibly.

Mr. MITCHELL (*London*): Chief Robert, have you any comment on those statements?

Police Chief ROBERT: No, sir.

Mr. MITCHELL (*London*): Judging from your experiences in supervising and investigating these various lotteries, can you say that the people who participate in them do so for the purpose of assisting the charity or for the purpose of personal gain?

Police Chief DAVIS: I know of no lottery being conducted in my area where there are any personal gains. All proceeds go to charitable purposes.

Mr. MITCHELL (*London*): I am looking at it from the point of view of the person buying the ticket.

Mr. MURPHY (*Westmorland*): The player.

Mr. WINCH: I would say that it is the hope of winning something.

Police Chief DAVIS: Oh, yes, definitely.

Mr. FULTON: Perhaps a combination of motives?

Police Chief DAVIS: Yes.

Mr. MITCHELL (*London*): Mr. Fulton raised a question with Chief Robert. Is it correct that your feeling—and perhaps it is the only difference which you have with other members of the panel—that legalized gambling in the form of these lotteries and raffles is the opening of the door to perhaps larger gambling operations by the people who participate?

Police Chief ROBERT: Correct, sir.

Mr. MITCHELL (*London*): That is all, Mr. Chairman.

Mr. BOISVERT: Chief Robert, I wish to ask you two questions. The first one is this: Could it be taken as a fact that lotteries and gambling using any kind of games are a fertile ground for racketeers, big and small?

Police Chief ROBERT: Yes, sir.

Mr. BOISVERT: My second question is this: Is it possible that even if lotteries, raffles and bingos are carried on for charitable purposes the most respectable are misled by some tricky operatives?

Police Chief ROBERT: It happens quite often, sir.

Mr. FAIREY: I was going to ask Chief Robert, following up that question by my colleague: I gather from your answers that you are opposed to gambling in any form?

Police Chief ROBERT: Yes, sir.

Mr. FAIREY: From the moral point of view that it is wrong? And you also say that you would not deny it entirely?

Police Chief ROBERT: I do not understand your question clearly.

Mr. FAIREY: Is this your opinion, that gambling, even if it is not evil in itself, does lead, as my colleague said, to further gambling and broken homes and so on?

Police Chief ROBERT: Right, sir.

Mr. FAIREY: Do you think it possible to forbid gambling altogether by law and make such a law enforceable?

Police Chief ROBERT: Yes, sir, that is my sincere views.

Mr. FAIREY: And you think, too, that those persons who indulge in some form of gambling in the guise of giving something to charity are being misled, in the main?

Police Chief ROBERT: Not in the main, but some of them are. A great percentage of the people that buy raffle tickets will do it with the hope of gaining something and not simply to help.

Mr. FAIREY: In other words, if they were asked to contribute to a charity without the bait of a prize they would not contribute to that charity?

Police Chief ROBERT: I would not say that, Sir.

The PRESIDING CHAIRMAN: With respect to your views on being opposed to gambling in principle, is it because of your police experience?

Police Chief ROBERT: Police experience and knowledge I have acquired during the last 25 years.

Mr. WINCH: May I follow with one question. As the chief has very definite opinions does he also take the position that there should be no legalized horse race betting?

Police Chief ROBERT: You mean at the racetrack?

Mr. WINCH: Yes. Is that not gambling too?

Police Chief ROBERT: Yes, to a certain extent. But it is gambling under a certain control and if I remember correctly you cannot hold a meeting for more than 14 consecutive days at the same track in the whole year. Therefore it is not a continuous affair. If it was a 12 month affair, I would say that I am definitely against it. And, although it is legal, I know of several cases where people go out to the track who cannot afford it and will even lose their wages and will borrow money to bet on horses.

The PRESIDING CHAIRMAN: I think we all know of such cases.

Mr. BOISVERT: Do you, Chief Robert, know how much money was bet on races in the province of Quebec last year?

Police Chief ROBERT: No, I do not have those figures.

The PRESIDING CHAIRMAN: Do you have those figures, Mr. Boisvert?

Mr. BOISVERT: About 3 or 4 million some odd dollars.

Mrs. SHIPLEY: From horse racing it is one step further to speculation on the stock market. I know hundreds of people who have lost more money than

they could afford on the stock market. It is a straight gamble unless you buy established stocks with old established companies. What is your feeling on that?

Police Chief ROBERT: I believe it is not the same thing at all.

Mrs. SHIPLEY: It is not the same?

Police Chief ROBERT: No, I do not think it is. First of all, it is not the working class who actually buy stocks. There might be a small certain percentage. But, they are not going to spend so much on the market in buying mining shares or shares of any nature. There is no quick return on the money invested. It is not the same thing. Gambling is a fast game. It creates passion in human beings. I may have had some experience which has left with me that attitude, because I have seen gamblers sitting night after night and mothers of large families playing bingo who never thought of anything else for hours when they were playing and you could see it was a real passion with them; it was something horrible to see, I might say. You cannot find the same sentiment or passion in playing the stock market, I believe.

The PRESIDING CHAIRMAN: You think that in the stock market it is not for some people a sense of gambling, it is rather a sense of investment?

Police Chief ROBERT: Correct, Sir.

The PRESIDING CHAIRMAN: And for the development of the country.

Mr. MURPHY (*Westmorland*): Like the western lands we bought in the maritimes. They were under water.

The PRESIDING CHAIRMAN: There is one born every minute they say.

Mr. VALOIS: With respect to betting on a market and betting on horses, you cannot escape it if you bet on the horse race it is a bet; if you speculate on the stock market, it is just that you are making gambling of something which on itself is not a gamble. If you go in the stock market and use it as a way of gambling you would make a gamble out of that, but it is not of itself a gamble. I think that is the conclusion that may be drawn.

The PRESIDING CHAIRMAN: Somebody said that everything was a gamble.

Police Chief ROBERT: Even a businessman opening a store or the young man who goes into business—in that case it is a gamble. Will he succeed? He does not know. I compare the stock market to persons keeping a store and other types of legitimate business.

Hon. Mrs. FERGUSON: I would like to address this question to Chief Robert and perhaps you may not care to answer. Many people—I do not say that I agree with them—say that these people who take part in bingos have no other outlet to amuse themselves and it is something which they can do. You gave us some generalizations, but can you give us some definite cases where there were deliberately bad results from people taking part in lotteries or bingos? I do not mean the names, but can you give us the cases?

Police Chief ROBERT: I believe I did answer that question yesterday fairly clearly.

Hon. Mrs. FERGUSON: I mean particular cases. As I remember it was more a generalization. I may be wrong.

Police Chief ROBERT: I would not like to comment on this. I am sorry. I may be able to do it some other time informally.

Mr. BOISVERT: May I ask another question, Mr. Chairman. Chief Robert, according to your experience could you tell us if horse racing is an honest sport as it is carried out today?

Police Chief ROBERT: Do you mean off the track or on the track?

Mr. BLAIR: Do you mean the betting?

Police Chief ROBERT: Do you mean off or on the track?

Mr. BOISVERT: Both.

Police Chief ROBERT: By off the track I mean bookies. If it is on the track it is controlled actually by the federal police officers and other controllers. Off the track it is quite different.

Mr. FULTON: Were you asking about the betting or the actual conduct of the races?

Mr. BOISVERT: It was a general question, but I was coming to the betting.

Police Chief ROBERT: We cannot generalize on the betting because there are betting places that are run honestly although they are illegal in themselves. But, others besides being illegal are dishonest.

Mr. BOISVERT: Now, I am coming to the sport itself. Could the racing be arranged before it is started by some tricky operator?

Police Chief ROBERT: I am sorry, sir, but I cannot answer that question, not being familiar with the sport itself.

Mr. BLAIR: I have a number of questions I would like to ask, but I will put myself in the hands of the committee if they think I am taking too much time.

Mr. FULTON: May I ask a question first? Mr. Robert, perhaps this might seem as though I am asking you to make an easy generalization, therefore, I would like your personal candid opinion. You gave us the example of mothers participating in bingo to such an extent that it comes down to desertion or neglect of their children.

The PRESIDING CHAIRMAN: I do not think Mr. Robert wants to name names and places.

Mr. FULTON: I am not going to ask him that.

The PRESIDING CHAIRMAN: He has informed me that if you wish to have a meeting in camera some time he will be very happy to answer those questions.

Mr. FULTON: My question is a general one I wish to ask you whether you feel the desire or weakness—if you like—reflected in that course of conduct is an inherent one which if the innocent game of bingo was no longer possible that that weakness might find its outlet in some other form of activity with the same result?

Police Chief ROBERT: I am sorry, I am not prepared to answer that question.

Mr. FULTON: What I am really asking you is this: is it the gambling just because of its inherent viciousness which attracts this person and ruins her and her home, or is it perhaps not fair to suggest that we all have inherent weaknesses and where that outlet had been available the same result with respect to the home might have followed?

The PRESIDING CHAIRMAN: Do you not think that that is a question for a psychiatrist?

Mr. FULTON: The chief has expressed that opinion. I will not press it if he does not wish to answer.

Police Chief ROBERT: I would rather not, sir.

Mr. MITCHELL (*London*): May I ask just one question. Perhaps it will clear our minds. Do you, Chief Robert, object to the playing of small stakes amongst a group of friends?

Police Chief ROBERT: No, Sir.

Mr. MITCHELL (*London*): That is the answer.

Police Chief ROBERT: Providing there is not a gain for someone in particular. That is if, for instance, the housekeeper is not actually the one who will get all the benefits and make a living out of it.

Mr. BLAIR: Mr. Chairman, the first group of questions I would like to ask are of a general nature and then I would like to ask some detailed questions about the wording of the present Code. I wonder if the members of the panel could tell us what are the main types of lotteries which are conducted in this country at the present time?

Police Director SHEA: The more voluminous ones which come to our attention are the Irish sweepstakes, the Kentucky derby lotteries, and the Army and Navy. The Army and Navy is very big in Canada. I personally do not know if any individual derives any income personally from the Army and Navy. They probably have an operator who does this, I do not know. They have a tremendous sale of tickets in Canada, and I believe that they have something which the others do not have, that is they give you a membership and you can have a lucky number.

The PRESIDING CHAIRMAN: You mean the betting is done by selling a membership?

The WITNESS: Yes, a membership card. There was a club which was banned in Montreal, and they were selling membership tickets, and I remember while the big probe was going on in Montreal, the lawyer who was handling the prosecution visited the hall and immediately he entered they sold him a ticket and he found there was nothing illegal about it. When they held the draw, they elected a president, about three vice-presidents, and 100 directors. The president got \$500 for his month as president and the vice-presidents lower in rate. The directors got \$5.00 each. Perhaps I should not call it a prize, but it is supposed to be his dividend or stipend for the month. I might say no individual benefited alone. We looked into that.

The PRESIDING CHAIRMAN: One does not get anything for selling the membership?

The WITNESS: Yes. In one organization they printed 2,600 tickets and 50 per cent went into the stipend or whatever you want to call it. The lowest figure was \$5.00 for a director.

The PRESIDING CHAIRMAN: Where did the other 50 per cent go?

The WITNESS: To the church. And that particular church was in a district which became highly industrialized. The attendance had dropped off and the people they did have were not people who could make great contributions to the church.

Mr. BLAIR: You have mentioned large sweepstakes, on a more or less national basis and this special scheme which has been used in one locality.

The WITNESS: It was the "booster club".

Mr. BLAIR: In addition to that would the panel like to express any opinion on the prevalence of lotteries run by service clubs and organizations of that type for worthy charitable purposes?

Police Director SHEA: I will take a stab at this. You can correct me if I am wrong. I think we have already brought out here that the police are not here as great moralists to dispense with all types of gambling. I believe it is something we have with us and all we can hope for is to get as good a measure of control as possible. I am sure that the stock market and the race track would be far more detrimental than these lotteries if they were not controlled. I think the handbooks in the larger cities, from what we read in the newspapers particularly, give the best manifestation of the volume of betting by illegal means.

Police Chief DAVIS: I think I should mention that there was a lottery—of course we have a small one in our community. But, I do know of one which has been operating, I am informed, for over 20 years, I believe from the west coast. They have on their tickets death benefits and the procedure is if they complete their last 12 tickets and there is a death by their subscriber, he is entitled to, by turning his ticket in, \$100. It is what they call the death benefit plan. I think that that has been operating for over 20 years.

Mr. BLAIR: What I am trying to do is look for examples of types of lotteries. The Kefauver committee regarded the numbers game as being the biggest lottery conducted in the United States. Is the game of numbers played to any significant extent in Canada?

Police Chief ROBERT: No, except in Chinese districts in large cities.

The Presiding CHAIRMAN: And coloured districts.

Police Chief ROBERT: To a certain extent, but mostly by the Chinese in the Chinese districts. It is not called the numbers game but it is similar to it.

Police Director SHEA: I did not quite answer all your question, Mr. Blair. Your question related to well known charitable organizations holding lotteries. We must face the fact that as far as those organizations are concerned, I believe they are sincere, but our information has been, and some of it comes from Chief Robert when we were discussing this matter, that the business men who operate these well known lotteries do not have the time personally to devote to it, and therefore, they employ some individual or individuals who operate it and who do it on a large percentage basis or large commission, whatever you like to call it, and that is what we are opposed to, because we deem that a racket, and what we are hoping will come out of this—I am speaking for myself and others, and I discussed it with director Langlois in Montreal and the chief at Toronto—what we hope will come out of this is a better form of control to take it away from people who not only make a good livelihood, but who become wealthy from the same of these lottery tickets, so that the charities will derive sufficient benefit from them.

Mr. BLAIR: You have raised the question of control, and I have two general questions to ask. One is as a result of the English royal commission report.

By the Presiding Chairman:

Q. Before you proceed: do I gather that your opinion, Mr. Shea, is that most of these draws or raffles are for the benefit of operators or promoters rather than for charity?—A. Not intentionally, but it works out that way.

Q. That is the effect?—A. Yes. I would go so far as to say, most of them. We know there are many smaller churches and other organizations, which are different. To that I would like to add something in answer to Mr. Mitchell's question. I think it dealt with the Salvation Army, which Mr. Davis brought up. Mr. Davis is in a city of maybe 45,000 people, and it is a different picture in a city of a million or more. We know the Salvation Army and we work very closely with them ourselves. They have a Christmas fund for which they collect publicly. We, through our company, make an annual collection for them. We go to all our employees for the Salvation Army, the same as with the Welfare Federation, the Federation of Catholic Charities in Montreal, the French Federation, the Jewish Federation of Charities, etc. We handle all these within our own company, and the C.P.R. and all big organizations do likewise, and in that there is no loss of money. The Salvation Army derives the full benefit from it and, therefore, I do not think that they have the same incentive or reason for holding a lottery. The Salvation Army is comparatively small compared with other religious bodies in any municipality. They are a world-wide organization and do wonderful work, but, speaking for myself, I know that

the Salvation Army has another means of revenue, through old clothing and old furniture, and that is quite a big factor in a big city. The other welfare organizations do not have that.

Mr. BLAIR: Dealing with this question of control, I would like to read a few extracts from the report of the Kefauver committee, and I should say that it was concerned with the problem of gambling in general, of which lotteries and the policy game in the United States form only a part. They say this:

The widespread incidence of illegal gambling disclosed by the committee's investigations has resulted in the suggestion, made by many well-meaning and conscientious individuals, that the anti-gambling laws should be abandoned as unenforceable, and that the business of gambling should be legalized and licensed.

This suggestion appears to be premised on the dual assumptions that once gambling is legalized the crooks and the cheats will retire from the field and leave the operations of the handbooks, policy wheels and the gaming rooms to honest and upstanding businessmen, and that public officials, who have previously been persuaded to ignore or affirmatively aid illegal gambling operations, will automatically prove incorruptible when entrusted with responsibility for controlling these same operations through a licensing system . . .

Then it goes on to say:

There has not been presented to this committee any plan for the extension of controlled gambling which carries with it a substantial chance of success. On the contrary, each plan for extending legal gambling appears to play into the hands of the gangster element.

Now, in view of the fact that the suggestion has been made that there is some way in which lotteries can be satisfactorily controlled, would you like to comment on this recommendation of the Kefauver committee?

Police Director SHEA: I would like to comment, Mr. Blair, as I am somewhat familiar with the matter. I go to Chicago, and I was there when this went on. I think there is no comparison between the system employed in the United States that brought about the Kefauver committee and our present rackets in Canada in regard to lotteries. They have the policy and the numbers racket there, and it was of terrific proportions. It got into the hands of actual gangsters, not only racketeers but gangsters and murderers. These are not just assumptions. Luciano, who is back in Italy, is said today to be operating right from his headquarters in Italy. Although he is banned from the United States, his organization was of such proportions that it is still carried on. This is the opinion of responsible police officers in the United States with whom I come in contact. In Canada we have charitable organizations, which with the best intentions in the world have organized to collect through the sale of lottery tickets. People who may not be criminals have come along and devised a means of doing the work and deriving a great benefit from it. Up till about five or six years ago no spurious tickets had come to my attention, but we have seen thousands and thousands of them, and the police tell me the same thing. I have seized hundreds of these shipments and turned them over to the provincial police in the province where the seizure was made. They are experts at this, and they say, "These are spurious; these are not the genuine tickets". Even the man who bought them thought they were genuine, but with these he had no chance of winning. It was a pure racket from beginning to end. If you or I bought one of those tickets, we would have no means of knowing whether it was spurious or genuine. We think it has gone too far, that it has got to be a pure racket and that they are taking advantage of legal organizations.

By the Presiding Chairman:

Q. Follow that line. You started in to say that many well-intentioned people and organizations are going into the lottery business, but you didn't follow that along.—A. My inference was that these well-intentioned people are not personally deriving any benefit from it, but they are allowing it to get into the hands of the people who make the money for themselves, with only a small percentage to the charitable cause.

Q. And it encourages this big-time gambling that occurs in other countries? —A. There is no comparison between gambling in Canada and that dealt with by the Kefauver committee. They did not have any legal lotteries. The numbers racket was not controlled. They wanted to ban the thing altogether.

Mr. BLAIR: Without asking a leading question—

Mr. FULTON: Ask a leading question.

Mr. BLAIR: All right. What you have just said seems to indicate that lotteries at one time may have been organized for charity, pure and simple, by little charitable groups, but are increasingly being run by promoters who take percentages and other forms of remuneration, and their activities appear to be becoming more pronounced. Now, the finding of the Kefauver report was that the legalization of this type of activity, in the Kefauver committee's opinion, would not assist in the control of that element, and that was the question which I was putting to the committee. Would the legalization of these types of activity assist in the control of the activities of promoters?

Mr. FULTON: They are legal now.

Police Director SHEA: That is the question. I think that Mr. Robert has very forcibly placed before this committee that what is considered to be legal is not really legal. They are circumventing the law really, and I think that they are also circumventing the law when a private individual, say, makes 50 per cent of a charitable drawing, which was never originally intended.

Mr. BLAIR: Would you care to comment on this, Chief Robert?

Police Chief ROBERT: The first thing I would like to say on this is: Legalization will not eliminate the problem of gambling; it will increase it. Racketeers that are actually in the gambling business, or professional gamblers, will not simply change their way of living and become honest citizens merely on account of a change in the laws of legalization of gambling. They will certainly carry on as usual in another form of gambling. They will change their ways, but they will stick to the same racket. In fact, I believe that in the only place in the United States where there is legalized gambling the owners of the legalized establishments are ex-racketeers and gangsters.

Mr. BLAIR: That would be the state of Nevada?

Police Chief ROBERT: I did not mention any state.

Mr. FULTON: I am sorry, but I am confused, and I wonder if I could have my confusion cleared up. Are we discussing the legalization of numbers games and such things as are not now permitted in Canada, or are we discussing the control of lotteries, which are permitted under certain circumstances in Canada, which the panel has pointed out? In their opinion, they have in some cases become out of hand. I am not clear as to whether Mr. Blair and the panel are at one and whether they are both discussing the same thing. Are they discussing the legalization of what is not now legal in Canada, or are they discussing methods of keeping that which is legal within the bounds of the law that we have to control it?

The WITNESS: That was my understanding.

The PRESIDING CHAIRMAN: My understanding is that we are just giving a background as to how these things grow up when you start with lotteries and what they grow into.

Police Chief ROBERT: That is correct. Would you want me to comment on this? As far as the control of lotteries is concerned, personally I would be strongly in favour of the laws, or proposed laws, read to us by the Hon. Mr. Garson yesterday afternoon providing prizes are not high. There was some mention of £100. I feel that even £100, or \$280, would be too high. As I said in my remarks yesterday, let us take the large profit out of gambling or lotteries and you will remove the problems entirely.

Mr. BLAIR: Chief Robert, I would like to ask you another question following that. At the present time, it is legal to hold a raffle with a very small prize of \$50, and it seems that that kind of raffle has no great appeal. People are not interested in a \$50 prize. They are interested in prizes like refrigerators, television sets or automobiles. I put it to you that, if the limitation on the prize is put at too low a figure, we may start this whole thing over again.

Police Chief ROBERT: It is not my opinion, sir. If we put it low, that will prevent many people from using lotteries or raffles to raise money. They will not go for that any more. If they want to raise money for charities they will adopt some other means or a direct appeal to the public, as the other charitable organizations do. I believe that when this day comes it will be a great improvement on what it is today, and that is why I am strongly in favour of a very low prize for raffles and lotteries.

The PRESIDING CHAIRMAN: You have confidence, then, Chief, that if there is some worthy cause and the need is made known to the public in any community, that the citizens of that community will arise and meet that need?

Police Chief ROBERT: Definitely. I have confidence in our people.

The PRESIDING CHAIRMAN: They will contribute in a direct way?

Police Chief ROBERT: Yes, sir.

The PRESIDING CHAIRMAN: That was demonstrated in my own city of Windsor, Ontario, when we had a tornado. There were a number of people who lost their lives—18 or more, I believe—and a great deal of damage was done, and yet when that was made known, the people arose and they over-subscribed the needs for restoring those properties to the individual house owners. I think that the same thing happened in Sarnia, where they had a serious tornado not long ago, and I think it happened in the Winnipeg flood.

Mrs. SHIPLEY: That is an unusual circumstance. It is not a year-to-year need such as that of a service club, although their work is just as worthy. I don't think your example is quite correct.

The PRESIDING CHAIRMAN: I know that it is correct.

Mr. FULTON: It is not apt.

The PRESIDING CHAIRMAN: You believe that it is an unusual incident. But you do not think that the public would arise to meet the need when it is recurring from year to year?

Mrs. SHIPLEY: I can only say that the experience in many small towns has been that once the Community Chest has made its annual drive, when the service clubs—all of whom do wonderful work, but they are not included in the Community Chest—go to collect sufficient funds to do their work, and do it well, they find in many cases that in order to raise the money they must offer the people something. Then thousands of people will come to them who do not contribute to the Community Chest, and who would not contribute anything to a worthy cause unless there was some chance of winning something.

Mr. BOISVERT: It is well known that in the province of Quebec when a farmer's home is burned it is rebuilt by the community, quite naturally. There is no question about it. All the farmers come together and rebuild it and supply food and clothing for the family without any games or raffles of any kind.

The PRESIDING CHAIRMAN: What Mrs. Shipley says, and we should not be getting into an argument—

Mr. BOISVERT: I quite agree with you, Mr. Chairman.

The PRESIDING CHAIRMAN: There is a later opportunity for that, but Mrs. Shipley says that for an unusual event they will arise to meet the need, but not for day-to-day matters that go on over the years.

Mr. BOISVERT: It has been done for hundreds of years in the province of Quebec.

Mr. MURPHY (*Westmorland*): I wanted to finish my questioning, and I wanted to ask Chief Robert this. After hearing what Mr. Brown said, you do not believe in this Robin Hood type of charity, that is, taking from one regardless of means and giving to another?

Police Chief ROBERT: No, sir.

Mr. MURPHY: That the end does not justify the means?

Police Chief ROBERT: Certainly, I feel that if a cause is really worthy, even though there is an appeal every year, people will actually answer generously to the appeal if the needs are explained to them; but of course it is hard to judge from our past experiences, because many good organizations felt that lotteries and raffles were the easiest way to raise money. They did not bother to find any other way, so they took the easiest way and they formed a mentality in our people by saying, "We can give you something for practically nothing; just give us a dollar or two."

Mr. MURPHY (*Westmorland*): Do you think, Chief Robert, that there is any charity at all in the buying of raffle tickets?

Police Chief ROBERT: No, sir.

Mr. MURPHY (*Westmorland*): It is summed up by saying, "Oh, charity, how many sins are committed in thy name!"

The PRESIDING CHAIRMAN: You are not quoting your Scripture correctly.

Mr. FULTON: I do not think that we will advance our discussion by this, because the problem is not as simple as that, and if it is left at that it might appear to be. I know of communities where the most worthy charities are regularly falling behind their objectives. There is a real problem in places where Community Chests do not exist because the community is not big enough for that sort of organization, and yet the strictly charitable drive is falling short of its objective. It is not a simple problem that you can deal with by saying that lotteries are not really charitable in their concept. That is how they originate, and it seems to me that our problem is whether or not lotteries for charitable purposes should be defined in law to ensure that they are confined to charitable purposes, to enable the police to control them.

The PRESIDING CHAIRMAN: We have invited witnesses here for the purpose of expressing their opinions, based on their experiences. We have got them, and I think that we appreciate it too, because it tells us very frankly from the position occupied by the witnesses what their experiences have been.

Mr. WINCH: That may be correct, but we are going round and round in a circle now.

The PRESIDING CHAIRMAN: It is sometimes hard to tell when you are arguing and when you are discussing.

Mr. BLAIR: Just dealing with Mr. Fulton's question a few moments ago, I realize that the Kefauver committee was covering the whole field of gambling, but I was simply using that extract to raise the question of the ability to control. Reference was made yesterday to a suggestion contained in the report of the English commission, and you will remember that Mr. Garson read a seven-point proposal outlining the various features of control. I think it is

only fair to add to that that this suggestion was very carefully considered by the English commission, but it was not adopted by them. I would like to have the opinions of the panel on the comments which the commission made. They said, on page 122, paragraph 399 of their report:

In the first place, the methods suggested for the control of small lotteries open to the public are necessarily complicated and it would be optimistic to assume that the conditions proposed would be observed any more strictly than are the conditions prescribed by the present law. Secondly, the police would probably have even greater difficulty both in ensuring that genuine lotteries were conducted in accordance with the law and in suppressing lotteries promoted for private gain.

To give a full picture of the English commission's findings, I think that I should add this final sentence, as it indicates that the problem may be different there from the problem in Canada. They continue:

Finally, we have formed the impression that despite the present restrictions on the sale of tickets, small and private lotteries used as a means of raising funds for some local object are already something of a nuisance, particularly in the weeks before Christmas, in the way that charity collections were before steps were taken to regulate them.

That seems to indicate that these things are not popular in Britain. I wondered if the panel would like to comment on the ability to control in accordance with the seven points which were mentioned yesterday.

Police Director SHEA: I should say, Mr. Chairman, that there is, again, a vast difference between what we understand goes on in England and these big sweepstakes that we have here. I am told that in England mother and father and everybody put up 10 cents a week, or something like that. They have these small lotteries. We do not have anything like that in this country. These are big things here that cost about \$3 or \$4 a ticket. In England they still have those, and I do not think that they should be confused with these local 10-cent lotteries that have been running for a long time.

Mr. FULTON: You mean things like football pools?

The WITNESS: Yes, they are regular. Every week they pay their 10 or 20 cents. I think you should make a distinction there. Mrs. Shipley said something about appeals. I agree with what you said, Mr. Chairman, but I think that there is a vast difference between disasters, where everybody is in a common class and they ship clothing all over the country and they give money, but I speak as one who has every year to deal with a large number of appeals. Last year I had 32 come into my office.

The PRESIDING CHAIRMAN: From whom?

The WITNESS: So-called charitable organizations. We are ashamed to go to our men and ask them again. We collected for a large organization and a very worthy cause, and then we were going to collect for naval cadets, or something of that kind. The men could not afford to do all these things, so we meet our objectives only by the hardest work, hounding these people to get it, and we get their boss to talk to them. We do not just advertise for people looking for charities to donate to. Mr. Fulton suggested that there is a vast difference between that and a worthy cause. You have to get after them. I have participated in these things. So-called good people bring you back four or five nights and say, "The cheque is not ready yet; come and see me later, I am busy tonight." They are hoping that you will get fed up and will not come back.

Mr. BLAIR: The English commission seems to be saying that attaching more conditions to the conduct of legal lotteries and the imposition of more restrictions and qualifications, simply increases the work of the police forces

without ensuring that they will be any more successful in actually making the law stick and enforcing the law. I wondered if Chief Davis or Chief Robert would like to offer any comment on this proposition.

Police Chief DAVIS: I would agree with you that it would present more difficulty in the actual enforcement, if it was complicated by amending the Code to permit certain organized lotteries under certain conditions. I think it would complicate matters and make it more difficult for the police.

Mr. BLAIR: Yesterday you expressed a different opinion?

Police Chief DAVIS: I think I gave an opinion in line with the others that the law should be more clear and that the control should be left to each province.

Mr. BLAIR: Yesterday we were discussing the opinion of Chief Mulligan, that instead of having them spell it out in detail permits would be issued by a public body along the lines of that.

Police Director SHEA: Perhaps the attorney general or a high government official of each province could keep the thing under his thumb. He could delegate that to some official in the town, but he should keep his thumb on it and not let it get out of control.

Mr. FULTON: The idea was the issuance of a permit.

The WITNESS: Yes, and the applicants could be investigated by the police.

Police Chief ROBERT: I am sorry not to agree with Chief Davis on this.

Mr. BLAIR: Your view would be that this would be no easier to enforce?

Police Chief ROBERT: It would be much easier to enforce. What causes all our problems right now is the lack of clear and precise laws and loopholes in some other section of the Code.

Mr. BLAIR: The next group of questions are on the detailed provisions. I think we are all familiar with the fact that the main exemption provided in the Code is the one that permits small raffles up to \$50. In the experience of the panel, are the prize limits generally exceeded?

Police Chief ROBERT: You see, it is not very clear as it is. Prizes of \$50. It does not mention how many prizes of \$50, and consequently you may be giving out \$5,000 in one raffle if you make it 100 prizes of \$50.

The WITNESS: So long as each article does not go over \$50; that is an interpretation.

Police Chief ROBERT: There are also conditions requiring that prizes had first to be offered for sale—

Mr. BLAIR: The Section deals with raffles at a bazaar. Chief Robert has indicated one difficulty was that a bazaar was not defined. I would like to ask whether you have difficulty in deciding whether the tickets actually have to be offered for sale at that bazaar or whether it is permissible to offer them for sale in the streets to be brought to the bazaar.

The PRESIDING CHAIRMAN: You mean pre-sale.

Mr. BLAIR: Yes.

Police Chief ROBERT: That is exactly it. It has not been defined and even a bazaar is not defined. I know of a case where a church organization came to the police to ask permission to hold a raffle at a bazaar. The bazaar was more or less a carnival. They had rides and a ferris-wheel and many other types of amusement. They had a large number of concessions, wheels of fortune, bingos and everything. They asked if they could raffle something on the ground also. That is the problem of the police officers had to meet. That is what creates all the problem. If that section was redrafted in a clear and precise manner, I believe it will eliminate a lot of problems.

Mr. BLAIR: I would like to ask a general question, about this exempting provision. As it stands now it seems to be designed to limit a lottery to being held in a particular place, for example in a church hall. Do you think it is desirable to continue that pattern of limiting the small lottery to a particular bazaar in a defined place?

Police Chief ROBERT: Yes, provided it is at a bazaar and not a pre-sale which will last six months or even longer.

Mr. BLAIR: Do you think that the permission to hold lotteries in a defined space invites infraction by way of selling the tickets outside of that hall?

Police Chief ROBERT: Yes, sir. Actually that is what is being done, but if the laws contained contrary provisions, the results would be different.

Mr. BLAIR: But, do you think it is advisable to continue with the section in a Code which invites such an immediate type of infraction?

Police Chief ROBERT: No, but the laws will always be violated.

Mr. BLAIR: I want to ask some questions about quiz contests?

Police Director SHEA: Would you mind if I make a comment first. I think there are two aspects to this thing here. I have listened and tried to read what I think is in Mr. Robert's mind. You must define the prize the same as the bazaar; define it, whether one article or ten articles. But, you could put this thing out of business even though legalized if you brought the prize down so far that nobody wants to buy it, but, is that a good idea? If you make liquor so bad that nobody wants to drink it, then you encourage somebody to make better bootleg liquor. I think we should make the best possible of the thing that we have to deal with now. We are interested in dealing with something that is with us. One may have all the ideals in the world; personally I do not gamble, I cannot afford it. But, I am not going to say that a man who can afford to should be prohibited. I do not believe in prohibition.

Mr. BLAIR: I am not bringing it up with the purpose of raising questions of policy, but simply with a view to enforcement. How do these sections work out? This section [s. 236 (1) (d)] which deals with contests says it is an offence to dispose of any goods, wares or merchandise by any game or mode of chance or mixed chance and skill in which the contestant or competitor pays money or other valuable consideration. As we all know, it is not an offence to award a prize of money on the basis of a contest involving mixed chance or skill. I wonder if the panel would like to express any opinion on the operation of this particular section at the present time?

Police Chief ROBERT: I have not had any personal experience recently with these sections, so I would not like to comment on them.

Police Director SHEA: It does not raise its ugly head like some of these other things.

Mr. BLAIR: Just one other question on this section: is this the type of section which creates confusion in the public mind? Is this the type of section which may make it more difficult to enlist public support for the enforcement of other sections relating to lotteries? This is section 236, 1 (d).

Police Director SHEA: Did you read it in its entirety?

Mr. BLAIR: Yes. This is the section which would deal with quiz programs and contests over the radio and newspapers where there is an element of chance and an element of skill, and the section prohibits these contests if the prize is merchandise, but it does not prohibit a contest where the prize is money.

Police Chief ROBERT: The only fault we can find with that is money should be included.

Mr. FULTON: It is only if the participant himself pays money or valuable consideration to take part.

Mr. BLAIR: There are cases which will indicate if you send in a coupon or something of that sort you have given consideration just by making the effort.

The PRESIDING CHAIRMAN: If there are no further questions, I wish to extend to the panel our most sincere thanks for their coming here.

Mr. FULTON: Hear, hear.

The PRESIDING CHAIRMAN: Police Chief Mulligan, who is not here at this meeting, came all the way from Vancouver; Police Chief Davis from Moncton, Police Director Shea from Montreal; and Police Chief Robert, who has given very valuable assistance, from Hull; and Police Chief MacDonell, who is not here today, from Ottawa. We want to thank you, gentlemen, for the assistance and help you have given to this committee.

Police Director SHEA: We thank you, Mr. Chairman. We are glad to have been here. This is the first opportunity that The Chief Constables Association of Canada has had of appearing before a parliamentary committee. We have had the privilege of discussing matters with the Minister of Justice, but it is the first time we have ever been called before a Joint Committee of the Senate and the House of Commons, and I think our members at the Annual Conference will have a far better opinion of the members of the Senate and the House than they have had, when we explain this situation to them.

The PRESIDING CHAIRMAN: Thank you, Mr. Shea.

The sub-committee will meet this afternoon in this room at 4 o'clock.

